John C. Reinke to be postmaster at Stone Lake, Wis., in place of J. C. Reinke. Incumbent's commission expired March 7, 1938.

Bethel W. Robinson to be postmaster at Superior, Wis., in place of B. W. Robinson. Incumbent's commission expires May 28, 1938.

Alfred H. Hadler to be postmaster at Thiensville, Wis., in place of A. H. Hadler. Incumbent's commission expires May 30, 1938.

William S. Wagner to be postmaster at Thorp, Wis., in place of W. S. Wagner. Incumbent's commission expires June 12, 1938.

Louis H. Rivard to be postmaster at Turtle Lake, Wis., in place of L. H. Rivard. Incumbent's commission expired April 13, 1938.

Elmer A. Peterson to be postmaster at Walworth, Wis., in place of E. A. Peterson. Incumbent's commission expires May 30, 1938.

John T. O'Sullivan to be postmaster at Washburn, Wis., in place of J. T. O'Sullivan. Incumbent's commission expires May 30, 1938.

Edward A. Peters to be postmaster at Waterloo, Wis., in place of E. A. Peters. Incumbent's commission expires May 28, 1938.

James W. Carew to be postmaster at Waupaca, Wis., in place of J. W. Carew. Incumbent's commission expired May 15, 1938.

Frank P. McManman to be postmaster at Wisconsin Dells, Wis., in place of F. P. McManman. Incumbent's commission expires June 12, 1938.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 23, 1938

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou, who hast dealt so bountifully with us, O God, have mercy upon us; according unto the multitude of Thy tender mercies, blot out our transgression. Thou who hast put eternity in the hearts of men, enable us to overcome evil with good. Disclose unto us the enchanted dominion of a Christianized heart and mind. At the beginning of this day and week may our souls find whiteness, our minds unity, and our hearts forgiveness. We pray that the Great Shepherd may lead us into the fields of humanity waiting for our guidance and our help. Having been commissioned and honored, our Father, may we see the afflictions of our people, hear their appeals, realize their conditions, and work out the Master's definition of a good and a great life. May we deliver them into paths leading to homes of happiness, where tearful eyes become tearless, stormy words melt into peace, and sore hearts are mended. May the blessings of Almighty God abide with our President, our Speaker, and the Congress that our whole realm may be blest and satisfied. In the name of our dear Redeemer. Amen.

The Journal of the proceedings of Friday, May 20, 1938, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 10704. An act to amend section 4132 of the Revised Statutes, as amended.

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate to the joint resolution (H. J. Res. 678) making an additional appropriation for grants to States for unemployment compensation administration, Social Security Board, for the fiscal year ending June 30, 1938.

COMMITTEE ON FOREIGN AFFAIRS

Mr. McREYNOLDS. Mr. Speaker, I ask unanimous consent that the Committee on Claims may be discharged from the further consideration of the bill (S. 3104) for the payment of awards and appraisals heretofore made in favor of citizens of the United States on claims presented under the General Claims Convention of September 8, 1923, United States and Mexico, and that the bill may be referred to the Committee on Foreign Affairs. I have been in communication with the Committee on Claims about this matter and I believe its reference to the Committee on Claims was in error. There is no objection to its being rereferred.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF REMARKS

Mr. SPENCE asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. QUINN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter from the director of music of the Pittsburgh public schools.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

NATIONAL LABOR RELATIONS BOARD

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 5 seconds.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ANDERSON of Missouri. Mr. Speaker, proof of sabotage against aircraft being manufactured for the United States Army Air Corps is contained in the National Labor Relations Board case against the Northrup Division of the Douglas Aircraft Co., Inc., which is now under consideration by the National Labor Relations Board.

On page 255 of the official report of proceedings of the Northrup case before the National Labor Relations Board, which case is known as Case No. XXI–C–551, the Northrup attorney presented a letter addressed to the Northrup Division, signed by H. H. Wolf, major, Air Corps representative, on date September 14, 1937, regarding contract W–535, AC 8323, in which Major Wolfe notified the company that the Army would not accept any more airplanes under the contract unless certain guaranties were made.

"The resumption of acceptance of airplanes manufactured on contract," Major Wolfe said, "is dependent on your ability to demonstrate to this office that each airplane is free from malicious tampering and of the highest degree of workmanship" (p. 258 of official record).

Facts in the Northrup case are these:

The Northrup Co. had considerable labor difficulty and sabotage in the building and manufacture of aircraft for the United States Army and the United States Navy, as well as for some of the South American republics. No settlement could be made and work proceed on a satisfactory basis, so Donald Douglas, the president of the company, closed the Northrup plant. It remained shut down several weeks. Some time before its opening, a group of the workers presented to Mr. Douglas a plea to reopen the plant and set forth on their part a willingness to abide by certain rules and regulations which are essential in aircraft manufacturing plants. It was agreed that those returning to work would make a contract in which they agreed to abide by certain rules and posted a $15 bond with the Northrup Co. to insure their good faith.

The Labor Board hearing was on the complaint that the contract, as signed by those who returned to work, was a violation of the Wagner Act.

As their complaining witness they had one Allen E. Reiss. Riess testified that he did not return to the plant for employment when called, as did the other workers, but waited until a few days later. He took witnesses with him and told

the employment man that he would not sign the working agreement as he thought it was a violation of his rights guaranteed under the Wagner Act.

As to the sabotage in the plant, it is well known in military circles that rags were stuck in gasoline tanks, and other acts of sabotage committed on the new A–17–A attack planes, which are among the very latest of the general headquarters Air Force's arms. Even those unfamiliar with aircraft and their operation know that this Government cannot afford to have sabotage around an airplane factory in any form. The Nation depends upon airplanes for its national security, the pilots who fly them depend upon their structural strength and intelligent workmanship for the safety of their lives, and it is apparent that the utmost care must be taken to prevent any activity against our aircraft industry.

The attention of the House has been called to the sabotage in the Douglas case in which it was proved that a convicted alien was ordered rehired by the N. L. R. B. despite his actions of violence in the plant where the B–18 bombers were being constructed. You were also told of the Labor Board ordering rehired with back pay a man by the name of Racine who stripped the bolts on the bomb racks of the B–18 bomber. This man was ordered rehired with back pay despite the fact that Army and Navy experts testified it was virtually impossible to strip these bomb-rack bolts unless there was malice aforethought and intention of sabotage. I say to you now, Mr. Speaker, that the Nation must take some action to insure against this sabotage in our aircraft factories. The aeronautical industry plays too important a part in our national defense to take the slightest chance with it.

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address I delivered on Saturday at the dedication of the Indianapolis Federal building; also an address by Postmaster General Farley and one or two other very brief addresses in the same connection.

Mr. RICH. Reserving the right to object, Mr. Speaker, by whom was the second address delivered?

Mr. LUDLOW. Hon. James A. Farley, Postmaster General of the United States.

Mr. RICH. Was the address delivered here in Washington?

Mr. LUDLOW. In Indianapolis, Ind.

Mr. RICH. That gentleman is traveling all over the country all the time, and every day somebody wants to place in the RECORD a speech by him. Is the Postmaster General attending to his duties here in the Post Office Department or is he running around over the country making political speeches for the Democratic National Committee?

Mr. LUDLOW. I may say to the gentleman this is an entirely new speech by Mr. Farley, and it was delivered in the course of his official duties in the dedication of a Federal building.

Mr. RICH. I am glad he is attending to his duties.

Mr. TABER. Reserving the right to object, Mr. Speaker, I understand a Budget estimate is being sent here asking us to appropriate about $500,000 beyond the amount appropriated last year to take care of the cost of printing speeches that are placed in the Appendix. I believe we ought to begin to be careful about what is being placed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on an article regarding the United States Housing Authority and slum clearance, and to include therein an article that appeared in the Journal of Home Economics.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BRADLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a radio address recently delivered by me in Philadelphia.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. COX. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an address by Mr. Brenckman, of the National Grange, in which he discusses the wage and hour bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. KELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. KELLER. Mr. Speaker, I simply wish to call the attention of the House to the fact that our colleague the gentleman from Nebraska [Mr. BINDERUP] is to deliver five consecutive lectures on the subject of money on the floor of this House after the proceedings of the day are over, beginning this afternoon and continuing through and including Friday. To those who have not made a special study of the subject, these lectures will be full of meat for our consideration.

EXTENSION OF REMARKS

Mr. BACON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article by Mr. Arthur Krock, who discusses an amendment I myself introduced to the relief bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. PAREDES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the relations between the United States and the Philippine Islands.

The SPEAKER. Is there objection to the request of the Commissioner from the Philippines?

There was no objection.

THE WAGE AND HOUR BILL

Mrs. NORTON. Mr. Speaker, under rule XXVII of the House, I call up the motion to discharge the Committee on Rules from further consideration of House Resolution 478.

The Clerk read the resolution, as follows:

House Resolution 478

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 2475, an act to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Labor, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Labor, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The question is whether the House will discharge the Committee on Rules from the further consideration of the resolution.

Under the rules the gentlewoman from New Jersey [Mrs. NORTON] is entitled to 10 minutes and some member of the Committee on Rules opposed to the resolution is entitled to 10 minutes.

Does the gentleman from New York, chairman of the Committee on Rules, desire recognition in opposition to the resolution?

Mr. O'CONNOR of New York. Mr. Speaker, I cannot qualify in opposition because I am whole-heartedly in favor of the bill.

The SPEAKER. The gentleman from Georgia?

Mr. COX. Mr. Speaker, I am proud to say I am in position to qualify. I claim the time and will yield to the gentleman from Texas.

The SPEAKER. The Chair will recognize the gentleman from Georgia for 10 minutes in opposition to the resolution, and the gentlewoman from New Jersey is now recognized for 10 minutes.

Mrs. NORTON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, on May 24, 1937, the President sent a message to Congress requesting legislation to protect that large group of our citizens who are working under substandard labor conditions. As a result of that message a bill was introduced—H. R. 7200—upon which joint hearings were held with the Senate. Following the hearings this bill was considered by the Committee on Labor, but before final determination on it was reached the Senate passed its wage and hour bill, S. 2475, which was referred to the House Committee on Labor. In order to expedite passage of the bill the House committee substituted the Senate bill for its bill. The bill was reported to the House on August 6, 1937. The Rules Committee refused to give us a rule, and a petition was placed on the Speaker's desk on November 16, 1937. The required names were placed on that petition and the wage and hour bill was therefore brought up in the House for debate on December 13, 1937. As you all know, the bill was under consideration in the House from the 13th of December through the 17th. During that time opponents of wage and hour legislation adopted the procedure of amending the bill until it had been stripped of its effectiveness, and on December 17, by a vote of 216 to 198, the bill was recommitted.

I cannot help but feel that many Members voted for recommittal because the bill contained differentials and because they honestly believed that that was not the proper type of wage and hour legislation.

When the House reconvened for the third session of the Seventy-fifth Congress the President again asked for a wage and hour bill, and your Labor Committee again started consideration of S. 2475. We studied the bill from every angle, weighed carefully all schools of thought on this subject, and finally arrived at the conclusions now contained in the bill you have before you. It is entirely different in form, method of administration, and philosophy from that presented to you at the special session. We believe that it meets the objections which many reasonable Members presented during the consideration of the last bill, and we further believe it to be an equitable and fair bill to regulate labor practices of industries engaged in interstate commerce.

Notwithstanding all of this, and notwithstanding the fact that the bill was recommitted presumably for redraft, which we surely accomplished, the bill was again denied a rule. This time a hearing was given the Labor Committee, at which many members of the Labor Committee testified, but when the vote was taken in the Rules Committee we were again denied a rule.

Mr. Speaker, although I had said when the bill was recommitted last year that I would never place another petition on the desk, I knew that House sentiment was so strongly in favor of a wage and hour bill this year that I decided to break my word and again place the petition on the desk. I did not feel that I could stand in the way of Members who were anxiously waiting for a chance to vote for wage and hour legislation, nor did I feel that I was morally justified in denying to the workers of this country a chance for better working conditions, which so many of them now lack because of the unscrupulous practices indulged in by chiseling employers.

I know that I need not remind you Members of the House of the unprecedented success with which that petition met. In 2 hours and 20 minutes on May 6, 218 names were affixed to the petition. Many other Members who were anxious to sign were not able to do so because the necessary signatures had been secured.

I feel that I need make no plea to the membership of the House to vote to discharge the Rules Committee from the resolution providing for the consideration of the wage and hour bill. I know that most of you join me in my desire to see the ill-treated workers of the country given the rights and privileges which are actually theirs. I therefore ask you to vote to discharge the Rules Committee from consideration of the resolution when the proper time arrives. [Applause.]

Mr. Speaker, I yield the balance of my time to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR of New York. Mr. Speaker, I reserve my time until the 10 minutes in opposition has been taken.

Mr. COX. Now, Mr. Speaker, will the advocates of this resolution be permitted to split the time allotted to them in such a manner as to claim both the opening and the conclusion of the debate on this proposition? I insist, Mr. Speaker, that the proper practice and the fair thing to do is for the committee sponsoring this bill to proceed to exhaust the time given it.

The SPEAKER. The Chair will state in answer to the statement of the gentleman from Georgia which the Chair takes as a parliamentary inquiry, that the practice heretofore has been that on discharge motions the proponents and opponents of the measure shall have the right to allot their time as they see fit. Under the procedure heretofore followed the proponents of the motion to discharge will be entitled to conclude the debate. This is in conformity with the precedents and practices heretofore prevailing.

Mr. COX. Is that the position now taken by the Speaker on this proposition, that the proponents shall have both the opening and the conclusion of the debate?

Mr. SABATH. That is the usual practice, Mr. Speaker.

The SPEAKER. This ruling is not initiated by the present occupant of the chair. This question has been up before and it was determined by Mr. Speaker Garner when the same question arose that the right to close the 20 minutes debate on a motion to discharge a committee is reserved to the proponents of the motion, which is the identical question here presented.

Mr. COX. Mr. Speaker, I yield my 10 minutes to my colleague, the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Speaker, ladies and gentlemen of the House, the original House bill, which was recommitted on December 17, 1937, was all flexibility—the present bill is all inflexibility. The bill we recommitted represented one extreme in legislation, while the bill we will presently consider represents another extreme. Under the former bill a board or administrator could fix wages from 1 cent to 40 cents an hour and could fix hours from 40 on without any limitation. This bill represented an unprecedented concentration of power in a Federal bureau. Because the country revolted against this dangerous delegation of power in a Federal bureaucracy, the Labor Committee veered to the other extreme with reference to wages and hours, but at the same time retained the same vicious principle of vesting wide discretionary power in a nonelective Cabinet officer. The present bill has one thing in common with the recommitted bill: It reveals the same stubborn and persistent attempt to delegate vast discretionary power in Miss Perkins to determine what industries shall come under the act, to determine what retailing establishments shall be subject to the act, and to make exemptions in favor of apprentices and persons who are physically and mentally incapacitated to do efficient work.

Between these two extremes there must be a middle ground that we can all occupy. I do not believe that anyone can deny that there must be some flexibility with reference to wages and hours. Even the Government attorneys who appeared before the committee made this very clear, and ardent new dealers, such as Robert Jackson and Ben Cohen, testified before the committee that some provision would have to be made for fact finding in order for the bill to have any chance to be declared valid. It must be remembered that the Supreme Court has never, directly nor indirectly, recognized the right of Congress to enact Federal wage and hour legislation. The furthest that the Court has ever gone was to approve State statutes which provided for fact-finding commissions. In the States which have minimum-wage and

maximum-hour laws, such as New York, flexibility was provided, and as a result there are differentials throughout the State.

I want to make it clear that I am not asking or seeking any differentials for the South. I am not asking for any special treatment for the South. I believe that southern labor is entitled to the highest wage that an industry can pay and still operate with reasonable profit. If an industry in my section of the country can pay 40 cents an hour, it should do so. If it can pay 70 cents an hour, it should do so. But I do contend that every industry, regardless of where it is situated, should be able to appear before some decentralized agency to present the facts and arguments if it contends that it cannot pay the 40 cents an hour. If the industry can, as a matter of fact, pay the 40 cents, the decentralized agency, or ultimately the Secretary of Labor of the United States, will order it to do so. The laboring people will lose nothing by giving the industries this day in court, and I am convinced that unless this is done the act will be declared invalid.

I believe that a limited flexibility can be provided that will afford some ground for compromise of this controversial issue. The platform of the Democratic Party of 1936, with reference to wages and hours, contains the following language:

> Transactions and activities which inevitably overflow State boundaries call for both State and Federal treatment.

In order to advance some plan of compromise I have prepared and printed in the CONGRESSIONAL RECORD several amendments. I sent a copy of these amendments to every Member of the House and of the Senate. I do not claim that these amendments are free from objections, but I am advancing them with the hopes that some compromise can be reached that will avoid a bitter fight in the Senate and further misunderstanding between Democrats. My principal amendment provides that an employer may apply to his State labor commissioner, or other State agency designated by law, for the fixation of a wage and hour scale in accordance with facts and circumstances of his particular case. A public hearing is had and the record is reported by an official reporter, and only in the event that the labor commissioner, or other State agency designated by law, finds that the request of the employer is justified upon the grounds enumerated in the amendment can he fix the wage and hour scale. In no event can he fix a wage less than 25 cents an hour or a workweek more than 44 hours per week. Most of the States of the Union have labor commissioners. Some 20 States have minimum wage and maximum hour boards already in operation. My amendment does not involve the creation of any new bureau. It merely proposes to use the agencies now existing and to give the States some voice in the determination of wages and hours within its own boundaries.

In order to safeguard against abuse, favoritism, or wide differentials with respect to States, I have provided that the record of the hearing before the State agency, together with the order, shall be immediately transmitted to the Secretary of Labor of the United States and that she can reverse or modify the order of the State agency if she finds that his order was not supported by the evidence. Like the present bill, I provide for an appeal to the circuit court of appeals by any aggrieved employer.

The virtue of this plan is that it carries out the Democratic platform pledge of 1936 and at the same time provides for limited flexibility in accordance with the messages of the President on the subject, and the opinions of the Government attorneys that such flexibility is essential to the enactment of a valid law.

I feel that a State agency would be more accessible to an employer than a Federal agency and it would understand the needs and circumstances of each particular case better than some Federal bureau. I also believe that the recognition of the States in the wage and hour set-up would be a safeguard against concentration of undue power in Washington and would provide a wise distribution of such power so as to create and maintain the necessary checks and balances. It would encourage the States to enact minimum wage and maximum hour laws dealing with intrastate commerce. At the same time the ultimate control placed in the hands of the Secretary of Labor of the United States would safeguard against wide discrepancies, inequalities, and State favoritism.

The fact that neither the State nor Federal agency can fix wages less than 25 cents an hour and hours more than 44 hours in any one week provides a definite floor for wages and a definite ceiling for hours. I think that we can all agree that any industry that serves a useful economic purpose should be able to pay this wage and operate on this workweek.

I am also proposing an amendment that will make all industries engaged in interstate commerce subject to the act, and will take away from the Secretary of Labor the right to determine what industries come under the act. The present provision constitutes a dangerous and unnecessary delegation of power to the Secretary of Labor and even though Members may have confidence in the present Secretary of Labor, they have no assurance that some future Secretary of Labor might not use this power to the very detriment of labor.

The present provision will bring about inequalities and injustices. Under the bill, the Secretary is directed to hold hearings with respect to all the numerous industries of the country and as soon as practicable to issue orders determining whether or not such industries shall be subject to the act. After she issues an order with respect to an industry the act will then become effective at such time not more than 120 days after such order has been issued. The Secretary may fix one date for the act to become effective as to one industry, and another date for another industry, or since hearings have to be held with respect to each industry, great intervals of time may intervene between the date when the act is made effective as to one industry and that which may be made as to some other industry. The two industries may in fact be competitive and this would bring about inequalities and injustices. An industry may appeal to the courts and the court may order a stay of the Secretary's order, thereby postponing the effective date as to some industry while some other industry may not have the benefit of such stay or postponement.

In a letter addressed to Miss Perkins, I pointed out these administrative difficulties and in reply she made the following suggestion:

> Before concluding, I desire to suggest that the administrative difficulties which are raised by questions considered in (7), (8), and (9) could be avoided by amendments which would eliminate from the bill section 6 and other provisions which contemplate that the Secretary of Labor shall determine what industries are affecting commerce. As the bill is now drafted this determination is necessary because the criminal prohibition is placed on employment at less than a specified wage, etc., in industries affecting commerce. As no employer would know whether he was engaged in an industry "affecting commerce," the hearing and notification must be provided as a legal and practical necessity.
>
> It is believed that the same results which this legislation seeks to achieve, that is the establishment of a flat minimum wage and maximum hour standards, could be obtained by rewriting the penalty section so as to place the principal prohibition not upon employment at wage rates less than those specified, but upon the transportation, shipment, delivery, or sale of goods into interstate or foreign commerce when such goods are produced by employees receiving less than the statutory minimum wage, etc. No notice or hearing would be necessary if this technique were employed, as every employer would know that his goods could not move in the channels of interstate commerce unless he observed the wage and hour and child labor requirements of the law. The technique suggested was the one used in the child labor law of 1916 (39 Stat. 675). While this act was, as you know, declared unconstitutional in the case of *Hammer* v. *Dagenhart* (247 U. S. 251) in a 5–4 decision, it seems reasonably certain that the Supreme Court today would follow the reasoning of Justice Holmes' dissent and uphold such a statute. This assumption is warranted by recent decisions of the Supreme Court construing the powers of the National Labor Relations Board such as *Jones and Laughlin Steel Corporation* v. *National Labor Relations Board* (301 U. S. 1).

Therefore, even the Secretary of Labor will approve the amendment which I have offered and which is in line with her suggestions.

I have also proposed an amendment to provide that overtime employment can only be permitted in the case of emergency work. I have defined "emergency work" to mean any work necessary for the protection or preservation of life or

health, for the prevention of damage to property, or for maintenance or repair of property or equipment, or made necessary in the due course and conduct of production and to avoid undue disruption of business. The purpose of this amendment is to prevent any employer from exercising favoritism in favor of certain of his employees as against others. The object of the hour limitation is to spread employment and furnish greater opportunities for work. I do not think, therefore, that overtime employment should be permitted except in emergency work.

I am offering also an amendment which is as follows:

Any person in any State subject to this act who shall evade or attempt to evade the provisions of this act by increasing charges for housing, fuel, and lights furnished to his employees, or who shall decrease the wages of any of his employees now receiving in excess of the minimum wage provided in this act in order to offset the increase in the wages of those who receive less than the minimum provided in this bill, shall be deemed guilty of the violation of this act, and upon conviction shall be punished in accordance with the provisions of section 14.

The need of this amendment should be apparent to everyone. I have statistics which show that hundreds of industries now furnish either free or at a nominal cost, housing, fuel, and lights. It is plain to see that chiseling employers will increase these charges for housing, fuel, and lights in order to offset the increase in the wages of those who receive less than the minimum provided in the bill, and legitimate employers will be placed at a great disadvantage and in the end the act will be so completely evaded that it will amount to nothing.

Mr. Harry W. Acreman, executive secretary of the Texas State Federation of Labor, in a letter to me dated May 19, 1938, said that:

Consideration should be given in the bill to the possibility of a chiseling employer defeating the purpose of the act by the subterfuge of service charges, and while we are on this question, I believe this is one of the most destructive conditions we have in the South, and particularly in Texas, where the employer, through furnishing services or conducting commissaries, maintains a condition of employment that is virtually peonage.

I have also proposed an amendment which exempts from the bill any employer who maintains either voluntarily or under collective bargaining contract with the union of his employees a higher minimum wage and shorter maximum hours than that provided in the bill. Mr. William Green, president of the American Federation of Labor, demanded a similar amendment to the original House bill before he would endorse it. The refineries in my district now pay a higher minimum wage than that provided in this bill and have a shorter workweek. If this bill goes into effect, it will apply to these refineries since they are certainly engaged in interstate commerce. What the effect of this bill will be on the employees in these refineries no one can predict. However, I wish to quote at length from a statement by Mr. H. C. Fremming, president of the International Oil Workers Union, who insisted that the Black-Connery bill be amended to take care of the petroleum industry. The following is his statement, which will be found on page 363 of the Appendix of the RECORD, Seventy-fifth Congress, second session:

The petroleum industry made an extraordinary adjustment of hours of employment under the National Industrial Recovery Act, Code of Fair Competition for the Petroleum Industry, signed by the President August 19, 1933, and as a result of 36-hour workweek insofar as employees, other than clerical, are concerned became the maximum hours of work for the entire industry and for the most part has continued in effect throughout the industry. There are, however, a few of the smaller companies that have conducted themselves beyond the law and failed, both under the code of fair competition as well as now, to observe the universal application of the 36-hour workweek.

The proposed wage and hour bill provides for a 40-hour maximum workweek and a 40-cent minimum hourly rate. If this becomes the law of the land without suitable amendment applying particularly to the petroleum industry, it will defeat the very purpose that the act intends to accomplish, that is, added employment. The act would reduce the employment load in the petroleum industry approximately 18 percent, because the industry would take advantage of the specific fact that they have gone from 36 hours' employment as a standard week to 40 hours by direction of the Congress of the United States.

While it is true that certain collective-bargaining agreements exist within the industry establishing 30 hours as a maximum workweek, these companies would be faced with an unfair competitive relation with other oil companies if they attempted to maintain, by virtue of collective bargaining, 36 hours as against a 40-hour week that would become effective with the adoption of the bill by the Congress.

It is because of this special situation applying to the great petroleum industry that the attached amendment is proposed. All Congressmen coming from oil-producing and refining centers, such as the great refineries on the Atlantic seaboard, New Jersey, Pennsylvania, Gulf coast, Great Lakes, and Pacific coast, would be a party to increasing the hours of employment of their constituents 4 hours per week if they voted for the bill without the proposed amendment applying to the petroleum industry.

The 36-hour workweek in the petroleum industry is an accepted principle, and surely the great arm of the Federal Government is not going to be used to disturb this equitable principle which is now operating favorably both to the employee and to the employer.

It is because of the unique situation as it affects the petroleum industry where we have weekly hours of employment less than the bill provides that we urge this special amendment to safeguard this forward-looking program established in 1933.

I understand that my colleague the Honorable LYLE H. BOREN will again offer the amendment requested by the Oil Workers' International Union. This amendment was offered to the original Black-Connery bill but was defeated by a slight margin.

When the Rules Committee was requested to grant a rule upon this bill, we were told that the granting of the rule did not mean that we approved the bill; that the bill could be amended, recommitted, or defeated in the House. Even the President in his letter to Mrs. NORTON emphasized that the bill could be amended. However, as many predicted, the sponsors of this bill have united for the admitted purpose of defeating all amendments. Since they have the votes, it will probably prevail, and it is doubtful if any will be adopted. However, I cannot condemn too strongly such unfair procedure. Here is a bill which violates the platform pledge of the Democratic Party. It violates the several messages of the President on wage-and-hour legislation, because in all these messages he emphasized the necessity of some flexibility. The bill is also admitted to be unconstitutional even by Government attorneys and those who are most liberal in their interpretation of the Constitution. The bill is full of obvious loopholes that will render the act ineffective if it becomes a law in its present form, and yet, in spite of this, we are told by the proponents that they will not permit any amendments no matter how much the amendments strengthen the bill. It is such an attitude as this which makes it difficult to pass intelligent and workable legislation in the House. It was this attitude with reference to the N. R. A. and other acts of similar importance that was responsible for the failure of these praiseworthy measures.

Of course, no one believes that this bill as written will become a law. It is fairly certain that the Senate will insist upon changes and amendments to make the bill workable. This being true, I cannot understand why the sponsors of this bill do not join hands with us in a sincere attempt to write a workable and valid law. They know full well that the Senate or the conference committee will do this, and yet we are asked to vote for a bill which every lawyer in the House knows to be invalid and full of loopholes.

The original House bill was recommitted on December 17, 1937. Mrs. NORTON then selected a subcommittee to write a new wage and hour bill. The subcommittee held private hearings at which Members of Congress and Government officials were permitted to testify. After 3 or 4 months the subcommittee reported a bill to the full committee, but the full committee rejected it and hastily wrote the present expedient so that a bill could be presented to the House. If anyone believes that this bill is going to become a law as now written, I think he will be sadly disappointed. The general strategy is to pass the bill and then rewrite it in conference. It is my opinion that this strategy will succeed. [Applause.]

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. DIES. Yes.

Mr. COX. Is the gentleman not in a position to appeal to this House to turn down this effort to discharge the Committee on Rules, upon the ground that the bill is an attempt to sweep away all those basic guaranties upon which the whole structure of justice is erected?

Mr. DIES. The gentleman knows perfectly well that such an appeal would fall on deaf ears. I therefore do not indulge the hope that this House will refuse the rule. Personally I was against the rule before the committee, and I am still against the rule, and if the bill is not substantially amended to make it workable and valid, I shall oppose the bill regardless of what organization or what political power or influence endorses it. [Applause.]

The SPEAKER. The time of the gentleman from Texas has expired.

Mrs. NORTON. Mr. Speaker, I yield the balance of my time to the chairman of the Committee on Rules, the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR of New York. Mr. Speaker, first let me thank the distinguished lady from New Jersey [Mrs. NORTON] for yielding me this time. I have been a member of the Committee on Rules for 15 years. I think that is longer than any Member of this body has served on that committee except it may be the distinguished minority leader, the gentleman from New York [Mr. SNELL]. I have heard a lot of charges made on the floor and I have seen them made in the press about the "smothering" or "stifling the democratic processes of government" by the Rules Committee. Casually glancing around the Chamber I cannot see anybody here, nor can I recall anybody in high place who has not at some time asked the Rules Committee to "smother" one particular piece of legislation if not many such measures. That goes for everybody, bar none.

This wage and hour bill is a hotly controverted subject. I have never seen anything like it outside of the issue of prohibition. I do not want any of my good friends to rise on the floor today and argue for States' rights if they were for prohibition, because I think I am one of the few surviving States' rights Democrats. That is why I was against prohibition. I trust some of the Members will not use the States' rights argument today if they were for prohibition—the eighteenth amendment.

What do we have here? We have a bill pertaining to wages and hours that the working people of this country demand. You can have your differences about differentials, I will not argue with you about that. We in New York can stand some differentials between New York and other places in the country. What we want is a start on this momentous national problem. If we have backward States—and if I be the last Member here, I am against centralization of government—we have got to put the urge behind some of the backward States not to underpay their employees and not to overwork them.

It is estimated that 900,000 people will be put to work under this bill and that the working hours of over 2,000,000 would be shortened.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. I gladly yield to the distinguished gentleman for a question.

Mr. COX. Is it not the belief of the gentleman that the effort to force compliance with such a bill, rather than putting 800,000 people to work would throw at least 2,000,000 people out of work?

Mr. O'CONNOR of New York. I do not believe that.

Mr. COX. Is the gentleman prepared to identify those backward States to which he said Federal power should be applied in order to make them change conditions?

Mr. O'CONNOR of New York. I have an affectionate regard for every one of the 48 States, so the gentleman is not going to engage me in that argument.

We have before us a great national problem on the solution of which we should get started. It does not matter about the detail of the bill; it is the principle involved. We ought to get started on it. As long as any of us will ever be here we shall be amending this bill every year. It is the greatest problem we have ever tackled. Let us today make a start by passing a wage and hour bill embracing the principle of decent wages and decent hours for our workers in order that we may stamp out underpayment of workers and overworking of people in industry. Let us do it today; let us start this ball rolling. Let us pass it on to the other body. Let us enact wage and hour legislation as a law on this great national problem. [Applause.]

[Here the gavel fell.]

The SPEAKER. The time of the gentleman from New York has expired; all time on the resolution has expired.

The question is, Shall the Committee on Rules be discharged from further consideration of the rule?

The question was taken; and Mr. Cox demanded a division.

Mr. COX (interrupting the division of the House). Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 322, nays 73, not voting 33, as follows:

[Roll No. 83]

YEAS—322

Aleshire	Dondero	Johnson, Minn.	Patman
Allen, Del.	Dorsey	Johnson, Okla.	Patrick
Allen, La.	Dowell	Johnson, W. Va.	Patterson
Allen, Pa.	Drew, Pa.	Kee	Pearson
Amlie	Duncan	Keller	Peterson, Fla.
Anderson, Mo.	Dunn	Kelly, Ill.	Pettengill
Andresen, Minn.	Eaton	Kennedy, Md.	Pfeifer
Andrews	Eberharter	Kennedy, N. Y.	Phillips
Arends	Eckert	Keogh	Pierce
Arnold	Edmiston	Kinzer	Plumley
Ashbrook	Eicher	Kirwan	Polk
Barry	Elliott	Kniffin	Powers
Barton	Engel	Kocialkowski	Quinn
Bates	Englebright	Kopplemann	Rabaut
Beam	Evans	Kramer	Ramsay
Beiter	Faddis	Lanzetta	Randolph
Bernard	Farley	Larrabee	Rayburn
Biermann	Ferguson	Lea	Reed, Ill.
Bigelow	Fernandez	Leavy	Reilly
Binderup	Fish	Lemke	Rich
Bloom	Fitzgerald	Lesinski	Richards
Boehne	Fitzpatrick	Lewis, Colo.	Rigney
Boileau	Flaherty	Lewis, Md.	Robinson, Utah
Boland, Pa.	Flannagan	Long	Robsion, Ky.
Boren	Flannery	Lord	Rogers, Mass.
Boyer	Fleger	Luckey, Nebr.	Romjue
Boylan, N. Y.	Fletcher	Ludlow	Rutherford
Bradley	Forand	Luecke, Mich.	Ryan
Brewster	Ford, Calif.	McAndrews	Sabath
Brooks	Frey, Pa.	McCormack	Sacks
Buck	Fries, Ill.	McFarlane	Sadowski
Buckler, Minn.	Fulmer	McGranery	Sanders
Buckley, N. Y.	Gambrill, Md.	McGrath	Sauthoff
Bulwinkle	Gavagan	McGroarty	Schaefer, Ill.
Byrne	Gehrmann	McKeough	Schneider, Wis.
Cannon, Mo.	Gifford	McLaughlin	Schuetz
Carter	Gilchrist	McSweeney	Schulte
Cartwright	Gildea	Maas	Scott
Case, S. Dak.	Gingery	Magnuson	Scrugham
Casey, Mass.	Goldsborough	Mahon, S. C.	Secrest
Celler	Gray, Ind.	Mahon, Tex.	Seger
Chandler	Gray, Pa.	Maloney	Shafer, Mich.
Church	Green	Mapes	Shannon
Citron	Greenwood	Martin, Colo.	Sheppard
Clark, Idaho	Greever	Martin, Mass.	Simpson
Clason	Gregory	Mason	Sirovich
Claypool	Griffith	Massingale	Smith, Conn.
Cochran	Gwynne	Maverick	Smith, Maine
Coffee, Nebr.	Haines	May	Smith, Wash.
Coffee, Wash.	Halleck	Mead	Smith, W. Va.
Cole, Md.	Hamilton	Meeks	Snyder, Pa.
Cole, N. Y.	Hancock, N. C.	Merritt	Somers, N. Y.
Colmer	Harlan	Michener	South
Connery	Harrington	Mills	Spence
Cooley	Hart	Mitchell, Ill.	Stack
Costello	Harter	Moser, Pa.	Stefan
Crawford	Hartley	Mosier, Ohio	Sullivan
Creal	Havenner	Mott	Sutphin
Crosby	Healey	Mouton	Sweeney
Crosser	Hendricks	Murdock, Ariz.	Swope
Crowe	Hennings	Murdock, Utah	Taylor, Colo.
Crowther	Hildebrandt	Nelson	Taylor, Tenn.
Culkin	Hill	Norton	Teigan
Cullen	Hoffman	O'Brien, Ill.	Terry
Cummings	Honeyman	O'Brien, Mich.	Thom
Curley	Hook	O'Connell, Mont.	Thomas, N. J.
Daly	Houston	O'Connell, R. I.	Thomas, Tex.
Delaney	Hull	O'Connor, Mont.	Thomason, Tex.
Dempsey	Hunter	O'Connor, N. Y.	Thompson, Ill.
DeRouen	Imhoff	O'Leary	Tobey
Dickstein	Izac	Oliver	Tolan
Dingell	Jacobsen	O'Toole	Towey
Dirksen	Jarrett	O'Malley	Transue
Disney	Jenckes, Ind.	O'Neal, Ky.	Treadway
Dixon	Jenkins, Ohio	O'Neill, N. J.	Umstead
DeMuth	Jenks, N. H.	Palmisano	Vincent, Ky.
Dockweiler	Johnson, Lyndon	Parsons	Voorhis

Wallgren	Wene	Williams	Wolverton
Walter	Whelchel	Withrow	Zimmerman
Wearin	White, Ohio	Wolcott	
Welch	Wigglesworth	Wolfenden	

NAYS—73

Allen, Ill.	Ford, Miss.	Lanham	Short
Atkinson	Fuller	Luce	Smith, Va.
Bacon	Gamble, N. Y.	McClellan	Sparkman
Bland	Garrett	McGehee	Starnes
Brown	Guyer	McLean	Taber
Burch	Hancock, N. Y.	McReynolds	Tarver
Caldwell	Hobbs	Mansfield	Taylor, S. C.
Carlson	Holmes	Owen	Tinkham
Chapman	Hope	Pace	Turner
Clark, N. C.	Jarman	Patton	Vinson, Ga.
Collins	Johnson, Luther A.	Poage	Wadsworth
Cooper	Jones	Ramspeck	Warren
Cox	Kerr	Rankin	West
Cravens	Kitchens	Reece, Tenn.	Whittington
Deen	Kleberg	Reed, N. Y.	Wilcox
Dies	Knutson	Rees, Kans.	Woodrum
Doxey	Lambertson	Robertson	
Drewry, Va.	Lambeth	Rockefeller	
Driver	Lamneck	Satterfield	

NOT VOTING—33

Barden	Doughton	McMillan	Snell
Bell	Douglas	Mitchell, Tenn.	Steagall
Boykin	Gasque	Nichols	Sumners, Tex.
Burdick	Gearhart	O'Day	Thurston
Cannon, Wis.	Griswold	Peterson, Ga.	Weaver
Champion	Kelly, N. Y.	Rogers, Okla.	White, Idaho
Cluett	Kvale	Shanley	Wood
Ditter	Lucas	Smith, Okla.	Woodruff

So the motion to discharge the Committee on Rules from the consideration of House Resolution 478 was agreed to.

The Clerk announced the following pairs:

On the vote:

Mr. Griswold (for) with Mr. Snell (against).
Mrs. O'Day (for) with Mr. McMillan (against).
Mr. Wood (for) with Mr. Gasque (against).

Until further notice:

Mr. Weaver with Mr. Ditter.
Mr. Boykin with Mr. Woodruff.
Mr. Smith of Oklahoma with Mr. Douglas.
Mr. Sumners of Texas with Mr. Gearhart.
Mr. Kelly of New York with Mr. Cluett.
Mr. Steagall with Mr. Kvale.
Mr. Peterson of Georgia with Mr. Burdick.
Mr. Mitchell of Tennessee with Mr. Cannon of Wisconsin.
Mr. Doughton with Mr. Barden.
Mr. Rogers of Oklahoma with Mr. Champion.

The result of the vote was announced as above recorded.

The SPEAKER. Under the rule, the question recurs on agreeing to the resolution which the Clerk will report.

The Clerk read as follows:

House Resolution 478

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 2475, an act to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Labor, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Labor, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. NICHOLS. Mr. Speaker, on the roll call just concluded I was in the Chamber during the call of the roll and did not hear my name called. However, I went out of the Chamber temporarily just before the conclusion of the roll call, to see Roy Fine, one of my constituents from home, and was not in at the conclusion so I could qualify and vote. Had I been here at the close of the roll call I would have voted "yea."

The SPEAKER. The question is on the adoption of the resolution.

The resolution was agreed to.

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that the time of general debate may be extended to 5 hours in order to satisfy the many requests for time I have received this morning, with the understanding that general debate be concluded today, and with the further understanding that the time be equally divided.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

Mr. COX. Mr. Speaker, reserving the right to object, and I shall not object, may I inquire as to whether or not any provision will be made for the opposition, as little as it may be, if the vote taken on the motion to discharge is indicative of the attitude of the membership toward the bill? There are still some minority views here, and I am wondering if we may be permitted to speak by those in charge of the time.

Mrs. NORTON. If the gentleman will yield, I may say to him the purpose of asking unanimous consent to increase the time 1 additional hour is in order to satisfy the opposition.

Mr. COX. I thank the gentlewoman from New Jersey.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, as I understand it, there will be no effort to read the bill for amendment today. General debate will be concluded, and we will start reading the bill for amendment tomorrow?

Mrs. NORTON. The gentleman is correct.

Mr. CRAWFORD. Mr. Speaker, reserving the right to object, do I understand that general debate is to be limited to the bill?

Mrs. NORTON. The general debate is to be limited to the bill, yes. The rule so provides.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey [Mrs. NORTON]?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 2475, with Mr. MCCORMACK in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mrs. NORTON. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, before proceeding with my general statement on this bill I want to take this opportunity to thank the Committee on Labor for the very excellent work done on this bill. It has been, as you know, a very controversial bill. I believe that every member of the committee is anxious for a wage and hour bill. There are a few of us who differ on the form of the bill, but we are all in agreement that a bill of this kind is very necessary if we are going to help the underpaid workers of our country, reduce the relief rolls, and spread employment.

At this time I also want to thank the unofficial steering committee for the very excellent work they did in conjunction with the Labor Committee in bringing about the signing of the petition and the help they have given us on this bill. I am deeply grateful to all of you for your unselfish and able support. I know that you are just as anxious as I am to pass the bill.

Mr. Chairman, the philosophy of this bill is entirely different from the bill we had before us last December. That bill, judging from the debate which took place in the House at that time, was not wanted. It was loaded down with amendments and finally recommitted. When the committee decided to consider the recommitted bill it realized that it had to bring to the House an entirely different bill, and that we have done. In the other bill, as will be recalled, there were many differentials and a great many exemptions; in fact, as the bill was finally recommitted there was very little left of it.

I understand there is to be an attempt made to amend this bill in much the same manner. May I say to the Members of the House if that is successful we will again be

confronted with the same situation we had in connection with the other bill. I do not believe that effort will be successful. I believe the floor of 25 cents we have established in this bill no reasonable person can say is too high.

May I say we have had a great deal of pressure brought to bear on us to establish a floor of 35 cents. Many of us would much prefer to have had a bill of that kind, but we realize that to do so might possibly dislocate certain interests.

I have no objection to any person differing with me as to the principle of a bill, but I have a great deal of objection to a person who has done that, then telling me that this kind of a bill is all wrong because there are no differentials in it, nor are there the right kinds of exemptions. Some men voted to recommit a bill that did provide differentials and did provide the very exemptions they are now seeking to put into this bill. So in all fairness to the committee, I sincerely hope the Members of the House will give this bill the consideration that is due it, because it is an entirely different bill from that which was brought before you and which it now seems certain Members are seeking to place in this bill through amendment.

As I have stated, the philosophy of this bill is entirely different from that of the recommitted bill. It creates a rigid floor on wages and a rigid ceiling on hours in connection with goods in interstate commerce. I shall tell you briefly what is contained in the bill.

First, the Secretary of Labor shall give to the interested parties due notice of hearings to be held. He shall hold a hearing to determine whether or not a particular industry affects interstate commerce sufficiently to come within the privisions of the act. At this hearing he is bound by certain standards set up in the bill, namely, (a), (b), and (c) of section 6, which you will find in the bill. If he finds from the facts adduced at the hearing the industry does affect interstate commerce, he issues an order which is effective at the date designated by the Secretary, but not more than 120 days after its issuance. Every employer in that industry who is himself engaged in interstate commerce must then pay his employees 25 cents an hour and work them not more than 44 hours a week, and employ no children under 16, except by special certificate from the Chief of the Children's Bureau. This is to continue for 365 days. At the end of 365 days the employer must pay his employees 30 cents an hour and work them not more than 42 hours a week. This is to continue for the second year. At the beginning of the third year the employer is to pay his employees 35 cents an hour and work them not more than 40 hours a week. This is to continue for the third year. At the beginning of the fourth year and for each succeeding year thereafter the employer is to pay his employees 40 cents an hour and work them 40 hours a week.

Let it be understood right here that this does not in any sense compel any person who is paying more than 40 cents an hour or working his employees less than 40 hours a week to do otherwise. We are not interested in that employer for the purposes of this bill. I say this because this question has been continually raised.

Any person aggrieved by an order issued by the Secretary may obtain a review of that order in the circuit court of appeals. He may ask that the order be modified or set aside in whole or in part.

The Secretary has the power to investigate to determine whether or not the order is being complied with. He may use the existing State agencies for this purpose. Every employer is to keep records of conditions of employment under his jurisdiction.

The following exemptions from the provisions of the bill are included in it: First, executive employees; second, professional workers; third, administrative workers; fourth, local retailers; fifth, outside salesmen; sixth, seamen; seventh, employees subject to part I of the Interstate Commerce Act; eighth, persons employed in the taking of sea food, fish, or sponges; ninth, persons employed in agriculture; tenth, partial exemption of learners, apprentices, and handicapped people; eleventh, air-transport employees subject to title II of the Railway Labor Act.

The maximum-hours provision will not apply to employees coming under the Motor Carriers Act, section 204. No child who is under the age of 16 may be employed other than by a parent or a person standing in place of a parent except by special certificate issued by the Chief of the Children's Bureau, and no child under 14 may be employed at all other than by a person standing in place of a parent or a parent, or except in agriculture. Children between 16 and 18 may not work in occupations deemed to be hazardous by the Chief of the Children's Bureau.

No order may take effect before 120 days after the enactment of the act. It is presumed that by the time an order is made, 2, 3, or possibly 4 months will probably have elapsed, and then 120 more days elapse before the order goes into effect. Therefore nobody can claim this bill will dislocate business. It is simply absurd to think that a minimum wage of 25 cents an hour and maximum hours of 44 to start with is going to upset any business. The employers in industry know exactly what they have to contend with, which they did not know in connection with our other bill. Therefore they ought to be in a very much better position to meet the requirements of the bill, since they know exactly what is expected of them.

I wish now to refer to some of the persistent complaints I have heard on this bill, and I may say to the Members that I have been listening to people for the last 2 or 3 weeks from every part of the country. I have had a stack of letters as high as this desk from all over the country, and it is very interesting to note that very few of these letters contain objections to the bill. They are mostly letters asking for information. These letters and complaints that I have had have been more on hours than they have been on wages. I think this is rather interesting. Most of the complaints I hear on the bill are directed against the Secretary of Labor and they all have as their theme the criticism that she is given too much power.

Now, much as I regret to say so, and you Members who know me know that I am pretty fair, I am constrained to believe that a good deal of this criticism arises from the fact that the Secretary of Labor is a woman. I say this because I know that most men, and even some women, still cling to their illogical belief that no woman is capable of handling a so-called big job. Well, they might just as well get over that because they are going to have to get over it in a very short time. [Applause.]

I do not like to hear the Secretary talked of in this way, as I believe her record not only in the Cabinet, but during her long public career bears out the fact that she is an extraordinarily capable and intelligent person. However, since these arguments are raised, let us examine them. First, take the broad statement that she has been given too much power.

The only power that the Secretary of Labor has under the bill—and I want you to mark this—is to determine the relation of the various industries to interstate commerce. The Secretary is given no discretion but is directed to determine this relation of the various industries to interstate commerce by standards set forth in the bill. Whether this relationship is sufficiently close and substantial to bring the industry within the regulatory power of Congress depends upon facts. And that is why the bill contains section 6. The facts of the relationship in the case of each industry is to be established at a hearing, which will be public, and any person may examine the record of the hearing if he so desires. Any employer has the right of appeal from this decision of the Secretary, if he feels that he has been aggrieved by the order, by application to the Circuit Court of Appeals.

Now, surely, this is far less power than is already vested in many bureau heads who are not even Cabinet members.

Mr. O'MALLEY. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTON. Just for a question. I would rather complete my statement and then I shall be pleased to yield.

Mr. O'MALLEY. Following up your statement, would a competitor have the right to appeal from the decision of the Secretary of Labor with respect to relation to interstate commerce?

Mrs. NORTON. Why, certainly; anybody has the right of appeal.

Mr. O'MALLEY. Not only the employer but a competitor?

Mrs. NORTON. Why, surely.

Clearly this is less than the power that has been lodged in the five-man board as contained in the administrative provisions of the Senate bill and which I believe will again be offered on the floor during the consideration of this bill.

I may say to the Members of the House that every person I have come in contact with has been opposed to a five-man board, so I do not believe the House will consider that amendment very seriously.

Many Members of Congress have also asked why the Secretary of Labor is given power to define and delimit the term "executive, administrative, professional, or local retailing capacity, or in the capacity of outside salesman."

First, let me give you an illustration of the administrative difficulties, were this provision not contained in the act, of the way those terms could be used to circumvent the intent of the act. You are all familiar with the roadside stands which dot the countryside where you drive in for a sandwich and a cooling drink served you in your car. It would be possible, were it not for the provision allowing the Secretary the right to define the term, to call these young men and women who serve you at your car outside salesmen.

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I yield myself 3 additional minutes.

Now, clearly, this act does not intend that this term should be so used to create loopholes, yet it might be if no one had the right to define it. Therefore, in answer to the complaint I would say that the Secretary is given this power for only one reason, to enable persons to know definitely whether or not they are to be subject to the law. The Secretary has no power to exempt anything or anybody.

Reasonable men may differ as to whether a particular employee is included or excluded and it is in such cases that definiteness is both desirable and necessary, and hence the Secretary is given the power, by regulation, to define these terms.

In conclusion, let me say this: Since this bill was sent to the House I have been asked by many Members of Congress, most of whom are friends of the bill, to accept amendments for the benefit of some particular industry in their districts. I wish I could accept such amendments, but to do so would necessarily destroy the bill. I know the terrific pressure exerted by the very people who in all right should come under the provisions of the bill and who want to be excluded. The principal criticism, as I said before, has been on hours. This is to be expected. It is well known that one of the aims of the bill is to spread employment; and of course, if we except industries from the hours provision, we defeat that purpose, which is so important at this time, when relief rolls are getting larger and larger, and immense amounts of money have been paid out by the Government to make up the deficit between starvation wages and absolute maintenance, which people must have. So I ask you to join me in voting against all emasculating amendments, no matter how innocent they may seem at first glance, and I have a few that seem very innocent, but upon examination, let me say to you, they would take the entire heart out of a bill. In urging Members of the House to follow the Committee on Labor, to whom was given this stupendous task of preparing wage and hour legislation, I am not going to appeal to your emotions, though I know that none of you would want to feel that he was responsible for denying the right of existence to any man. I know there is not a man or woman in the House who does not wish to do his part in driving out of our business life today chiseling competition which threatens to cripple our economic structure. I am sure that we are all in accord in wanting to wipe out this sort of thing in this country, and to blot out child labor, but rather I would appeal to you to vote for this bill because it is the most equitable method of correcting these ills. We have found in our study of this subject that there are open to us many courses, many ways of legislating and regulating wages and hours and abolishing child labor, but it was the task of the committee to do the work in the simplest and most understandable manner, and that we have tried to do.

Many years ago I worked in welfare in my city. I never dreamed at that time that the day would come when I would be here in the House of Representatives and have the great privilege of appealing to you Members to help the underprivileged.

If you could see what I saw in those days, if you knew the misery, and the misery has continued, I am sorry to say, through all the years since, I know that you would feel that what we are attempting to do is merely human. It is not giving anything more than human beings are entitled to. It is simply giving them a chance to live, a chance to buy the necessities of life. In this great rich country of ours it seems terrible to think that there are people starving, and yet letters that I have received from employees all over the country—not from the South alone, but from every part of the country—would indicate that men and women are working for as low as two and three dollars a week, and 60 and 70 hours in the week. We cannot allow this sort of industry to be carried into interstate commerce. We have no jurisdiction over the States. We cannot do anything about intrastate commerce, but let me say to you that an obligation rests upon us to destroy such conditions when we legally can do so. I feel that the obligation is a sacred one, to do something for the underprivileged people of this great country. Therefore, I appeal to you to do your part, and it is a small part that we are asking you to do in voting for this bill. [Applause.]

The CHAIRMAN. The time of the gentlewoman from New Jersey has expired.

Mrs. NORTON. Mr. Chairman, I yield myself 2 minutes in order to answer questions.

The CHAIRMAN. The gentlewoman is recognized for 2 more minutes.

Mr. KOPPLEMAN. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTON. Gladly.

Mr. KOPPLEMANN. I call attention to one paragraph in the letter sent out by the Hartford Chamber of Commerce generally to its membership, which letter has been sent throughout the State of Connecticut. I read from that letter:

> There is a provision in the bill, section 11 (a), which when first examined will appear to eliminate any employee employed in "local retailing capacity," but it is likewise provided therein that the Secretary of Labor has the right to define and delimit the term "local retailing capacity." With section 6 as a mandate as to what is interstate and what is local, the Secretary would be justified in defining a local retailer as a retailer who is not engaged in any industry described in section 6. There are very few.

Mrs. NORTON. May I say to the gentleman that "local retailing capacity" is exempt from the operations of the bill.

Mr. KOPPLEMANN. And the statement adds:

> If this bill is enacted as it stands now, it covers retailing.

Mrs. NORTON. It absolutely exempts retailing.

Mr. KOPPLEMANN. That is clearly understood?

Mrs. NORTON. Yes.

Mr. MERRITT. Does that also include where merchandise is bought in other States, such as in department stores? Will that be exempt?

Mrs. NORTON. I do not think I quite understand the gentleman's question.

Mr. MERRITT. These are goods that flow in interstate commerce but are sold at retail.

Mrs. NORTON. I still do not think I understand the question, but goods flowing in interstate commerce, of course, are included under the terms of the bill.

Mr. HEALEY. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. HEALEY. It is my understanding that in such an instance they would not be included under the terms of this bill, as the bill does not affect local retailers. They would, therefore, be exempt from the terms of the bill.

Mrs. NORTON. Local retailing is excluded.

[Here the gavel fell.]

Mr. DEMPSEY. Will not the gentlewoman yield herself a little additional time? The important part of this bill is to find out what it contains; that is what we want to know.

Mrs. NORTON. I have tried to explain to the Members all the provisions of the bill.

Mr. DEMPSEY. My question will take but half a minute.

Mrs. NORTON. I am sorry, but I cannot yield any more time to myself. All time, I regret to say, has been allotted.

Mr. DEMPSEY. I think it is unfortunate.

Mr. WELCH. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the wage and hour bill now under consideration is one of the most important humanitarian measures ever considered by Congress. Its purpose is twofold—it will bring relief to several million underpaid, underfed, and underclothed workers, and it will eliminate the evils of child labor.

I cannot understand the reasoning that this measure is sectional and is a blow at the Southern States. Nothing could be further from the intent and purpose of its proponents. It is estimated that between the Potomac and the Hudson Rivers, there are at the present time over 35,000 workers, nearly all women, receiving as little as $5 and $6 a week and working 9 and 10 hours a day. Before the Supreme Court gave a recent decision, women were working in an industry in the District of Columbia, within the shadow of the Capitol for $5 a week, based upon a 9- and 10-hour workday.

Shortly before the enactment of the Walsh-Healey law, a Connecticut firm was awarded a contract by the Navy for a large number of caps. The women employed in this factory received the munificient sum of $4 a week. Countless other cases were brought to the attention of the joint House and Senate Committee on Labor during the long-drawn-out hearings on the wage and hour bill and before the House Subcommittee on Labor when it had under consideration the textile bill.

Mr. Chairman, in its second purpose, this bill contains, without a doubt, the best child-labor provision ever presented in the history of the country. If enacted into law, as I hope it will be, it will not only bring a little sunshine and happiness into the hearts and homes of lowest of the low-paid workers in the United States, but in addition, it will do that which every right-thinking person has been trying to accomplish for years and that is, remove one of the blackest pages in our history—"child labor"—which has long been regarded as a social cancer.

Mr. Chairman, I yield back the balance of my time.

Mr. WHITE of Idaho. Mr. Chairman, I ask unanimous consent to make a brief announcement of how I would have voted on the discharge rule.

The CHAIRMAN. The Chair calls the attention of the gentleman to the fact that he will have to submit his request in the House or get time from one of the Members in charge of time on the bill.

Mrs. NORTON. Mr. Chairman, I yield one-half minute to the gentleman from Idaho.

Mr. WHITE of Idaho. Mr. Chairman, when the question of discharging the committee from consideration of this bill was voted on I was absent on an important conference at the White House. Had I been here, I would have voted to discharge the committee.

Mrs. NORTON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MCCORMACK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, had come to no resolution thereon.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1486. An act to amend section 30 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes";

H. R. 4222. An act for the relief of Mary Kane, Ella Benz, Muriel Benz, John Benz, and Frank Restis;

H. R. 4276. An act to amend an act entitled "An act to create a juvenile court in and for the District of Columbia", and for other purposes;

H. R. 4650. An act to amend section 40 of the United States Employees' Compensation Act, as amended;

H. R. 4852. An act to provide for the creation of the Saratoga National Historical Park in the State of New York, and for other purposes;

H. R. 5633. An act to provide additional funds for buildings for the use of the diplomatic and consular establishments of the United States;

H. R. 5974. An act to authorize payments in lieu of allotments to certain Indians of the Klamath Indian Reservation in the State of Oregon, and to regulate inheritance of restricted property within the Klamath Reservation;

H. R. 6410. An act granting a pension to Mary Lord Harrison;

H. R. 7104. An act for the relief of the estate of F. Gray Griswold;

H. R. 7534. An act to protect the telescope and scientific observations to be carried on at the observatory site on Palomar Mountain, by withdrawal of certain public land included within the Cleveland National Forest, Calif., from location and entry under the mining laws;

H. R. 7553. An act to amend the laws of Alaska imposing taxes for carrying on business and trade;

H. R. 7711. An act to amend the act approved June 19, 1934, entitled the "Communications Act of 1934";

H. R. 7778. An act to amend section 26, title I, chapter 1, of the act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900;

H. R. 7827. An act to authorize public-utility districts in the Territory of Alaska to incur bonded indebtedness, and for other purposes;

H. R. 8008. An act to provide for the purchase of public lands for home and other sites;

H. R. 8148. An act to amend Public Law No. 692, Seventy-fcurth Congress, second section;

H. R. 8177. An act to create a commission to be known as the Alaskan International Highway Commission;

H. R. 8203. An act for the inclusion of certain lands in the Kaniksu National Forest in the State of Washington, and for other purposes;

H. R. 8373. An act for the relief of List & Clark Construction Co.;

H. R. 8404. An act to authorize the Territory of Hawaii to convey the present Maalaea Airport on the island of Maui, Territory of Hawaii, to the Hawaiian Commercial & Sugar Co., Ltd., in part payment for 300.71 acres of land at Pulehu-Nui, island of Maui, Territory of Hawaii, to be used as a site for a new airport;

H. R. 8487. An act confirming to Louis Labeaume, or his legal representatives, title to a certain tract of land located in St. Charles County, in the State of Missouri;

H. R. 8700. An act relating to the retirement of the justices of the Supreme Court of the Territory of Hawaii and judges of the United States and District Court for the Territory of Hawaii;

H. R. 8715. An act to authorize the Secretary of Commerce of the United States to grant and convey to the State of Delaware fee title to certain lands of the United States in Kent County, Del., for highway purposes;

H. R. 9123. An act to authorize the Secretary of War to lease to the village of Youngstown, N. Y., a portion of the Fort Niagara Military Reservation, N. Y.;

H. R. 9358. An act to authorize the withdrawal and reservation of small tracts of the public domain in Alaska for schools, hospitals, and other purposes;

H. R. 9577. An act to amend section 402 of the Merchant Marine Act, 1936, to further provide for the settlement of ocean-mail contract claims;

H. R. 9688. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky.;

H. R. 9722. An act to amend section 5 of an act entitled "An act to provide for the construction and maintenance of roads, the establishment and maintenance of schools, and the care and support of insane persons in the district of Alaska, and for other purposes," approved January 27, 1905 (33 Stat. 616);

H. R. 10004. An act to amend an act entitled "An act to incorporate the Mount Olivet Cemetery Co. in the District of Columbia";

H. R. 10117. An act granting the consent of Congress to construct, maintain, and operate a toll bridge, known as the Smith Point Bridge, across navigable waters at or near Mastic, southerly to Fire Island, Suffolk County, N. Y.;

H. R. 10118. An act granting the consent of Congress to construct, maintain, and operate toll bridges, known as the Long Island Loop Bridges, across navigable waters at or near East Marion to Shelter Island, and Shelter Island to North Haven, Suffolk County, N. Y.;

H. R. 10190. An act to equalize certain allowances for quarters and subsistence of enlisted men of the Coast Guard with those of the Army, Navy, and Marine Corps;

H. R. 10193. An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes;

H. R. 10351. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.;

H. R. 10535. An act to amend the Second Liberty Bond Act, as amended;

H. R. 10704. An act to amend section 4132 of the Revised Statutes, as amended;

H. J. Res. 447. Joint resolution to protect the copyrights and patents of foreign exhibitors at the Pacific Mercado International Exposition, to be held at Los Angeles, Calif., in 1940; and

H. J. Res. 622. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1938, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

THE WAGE AND HOUR BILL

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 2475, the wage and hour bill, with Mr. MCCORMACK in the chair.

The Clerk read the title of the bill.

Mrs. NORTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Connecticut [Mr. SHANLEY].

Mr. SHANLEY. Mr. Chairman, I ask unanimous consent to incorporate in the RECORD at this point a statement of how I would have voted on the motion to discharge. I was absent on important departmental business. Had I been here I would have voted yea.

Mr. COX. Mr. Chairman, may I inquire of the gentlewoman from New Jersey whether she has determined as to what time the opposition will have to discuss the pending bill and if any will be allotted, and to whom?

Mrs. NORTON. I have arranged to give the gentleman from Georgia [Mr. RAMSPECK] 40 minutes of time for those in opposition.

Mr. COX. May I inquire, Mr. Chairman, if that is the entire time that is to be yielded to the opposition? I am opposed to the bill and would like some time. I hope that I may get it.

Mrs. NORTON. I am sorry to state to the gentleman from Georgia that I have no more time to give. I have given 40 minutes to the gentleman from Georgia [Mr. RAMSPECK].

Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. CURLEY].

NEW MILESTONE FOR LABOR REACHED WITH PASSAGE OF THIS BILL

Mr. CURLEY. Mr. Chairman, as a member of the Labor Committee of the House of Representatives, I beg to inform my colleagues in the House, that we have a sacred pledge to keep before adjournment to the millions of our ill-nourished, ill-clad, and ill-housed American citizens and their families, who are dependent upon them. We members of the Democratic majority were elected on a platform in November 1936 pledged to a policy of humane treatment of this serious social problem. To be consistent, therefore, the administration recommended this constructive social legislation to the Congress of the United States, which, it is believed, would strengthen the weakened morale of the handcuffed workers who constitute the forgotten men and women of America today. This vast helpless group of our unskilled labor are the exploited type so specifically requiring the protection of the strong arm of Uncle Sam. There is no conflict of jurisdiction, under the provisions of this fair standards of labor bill, and the existing labor organizations of this country. The bill concerns only of relieving the paralysis which, at present, shackles misery and poverty to millions of heads of families, who are underpaid and causing a colossal financial loss in purchasing power because of existing deplorable conditions. The essence of any remedy to relieve such terrible conditions is decent work at a decent living wage with reasonable maximum hours of labor; and that is what this pending bill will provide if adopted by the Congress.

The chronic ulcer of substandard labor conditions, which are constantly practiced in interstate commerce by chiseling employers, must be removed by a major national operation on the Nation's body politic. Child labor must go; and Uncle Sam, through the passage of this bill, will rescue the exploited workers of America from their present tragic plight, and guarantee to them that security which the Constitution of the United States of America provides for them.

AMERICA FAVORS WAGES AND HOURS

Mr. Chairman, it must be evident to all unprejudiced minds, that the pending Fair Labor Standards Act of 1938 is conceded to be one of the most popular humanitarian pieces of welfare legislation yet sprung from the platform of New Deal measures.

The Institute of Public Opinion proved in a Nation-wide poll taken by the Institute in a recent cross section survey that 59 percent of the electorate want Congress to pass a wage and hour bill at this session. The statistics gathered show that only 41 percent was against it. No

geographical section was found opposed to this type of legislation. In the South the majority favoring it was 56 percent with 44 percent opposing it. The complete record of the statistics gathered are as follows:

Percentage, by groups of States

	Yes	No
New England	74	26
Middle Atlantic	62	38
East Central	58	42
West Central	50	50
Southern	56	44
Rocky Mountain	61	39
Pacific Coast	59	41

According to this poll the sentiment for the bill clearly splits along party lines. The measure is favored by 71 percent of Democrats and opposed by 66 percent of Republicans. It goes on further to say that opinion also divides sharply along economic lines with the upper income group strongly opposed to the legislation, the middle group slightly in favor of it, and the lower group overwhelmingly for it.

The aforesaid statement should dispose of the unauthorized attacks of the critics of this labor bill from certain sections of the country.

Now what will this proposed wage and hour bill do?

First. It will establish a specific and universal floor for wages.

Second. A specific and universal ceiling for hours.

Third. It will abolish child labor in interstate commerce.

Fourth. It will be administered by the Department of Labor.

Fifth. It will be enforced by the Department of Justice.

To be more specific, the bill will prohibit the employment of children under 16 and regulate employment of children between 16 and 18 in hazardous occupations. It will prohibit employment of substandard labor engaged in interstate commerce at less than 25 cents an hour for the first year, 30 cents for the second year, 35 cents for the third year, and 40 cents thereafter. It will also prohibit employment for more than 44 hours per week the first year, 42 hours per week the second year, and 40 thereafter. It will further provide for enforcement through the Federal courts.

Under the terms of this proposed bill no fair-minded employer should object to paying a minimum week wage of $11 or $12.

Pump-priming alone, without decent wages and hours, will block recovery. It has been said that the statistics indicate that only 3½ percent of unskilled industrial workers started their working careers at less than 40 cents an hour in the North, while in the South, it is said, the percentage is 48 percent. This differential is too wide to help the poor exploited workers in that section. This unfair competition is one of the main obstructions to the sections meeting on a common ground on this fair wage and hour bill. It is the well-considered opinion of many legal minds that geographical lines should prevail and not differentials which the South demand.

If this bill should become law, and I believe it will, the Department of Labor estimates it will provide jobs for about two and one-half million workers, which is a pretty good contribution to any program for recovery.

Mr. HARTLEY. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts, Mr. GIFFORD.

Mr. GIFFORD. Mr. Chairman, I wish to speak but briefly on the pending measure. I represent a very hard-pressed textile city. We see some hope in this legislation. Many years ago when that city embarked in the textile business, our southern neighbors were very glad indeed to have this market for their raw cotton. A great industry was built up under the protection of the tariff, which largely prevented competition from cheap foreign labor; but it was finally found that cheap labor could be secured in the southern States. Gradually that section learned how to manufacture as well as raise cotton and even northern capital went to the South and built textile mills because they could take advantage of this cheap labor.

The South always has had cheap labor. We in the North have not been able to take such advantage, but we have attracted the highest quality labor from the various textile centers of the world. My city was known as the key city in the manufacture of high-grade textiles. They are very hopeful now that through the medium of this legislation, wages can be made approximately the same and unfair competition be somewhat eliminated.

I have heretofore stated that I visited the South and learned the conditions in this industry there. I found rows of houses all very similar in construction, rented to the employees, who were not allowed to purchase them. When the employees were not satisfactory they had to get out. They had no chance to establish permanent homes. We once tried that method in New England. We built attractive houses for the help, but we found it did not work.

People like to own their own homes. They like to improve and beautify them. We abandoned that plan. The result is that our employees have settled permanently. Their savings and investments are there and they wish to remain in that locality.

I visited those homes in the South. The rents were most reasonable. Under the workings of this bill I predict the rents would be raised to compensate somewhat for the higher wages that might seem to be imposed by it. I was informed that their mills made money for one reason only; that is, the wheels turned 24 hours a day. "We have an orderly set of workers here." And they have. I asked, "Are there any foreigners in your mill?" And an executive of one of the largest mills of the South said, "Yes, two, but they are leaving today. Our employees do not want them."

That brings an understanding to us that when aliens are considered in the W. P. A. projects they are denied assistance. We have them in the North, many of them very good people, although they may not be able to read and write, but from the economic standpoint they are just as good as your workers of the South. You try to cut them off because they are aliens, although they may have been in the country for 40 or 50 years. They may have brought up families. Members of their families were sent to the war and all that sort of thing. I regret to hear southern Members express themselves so forcefully against them. You always have had your labor problem solved for you.

Regarding this legislation, my people think it is time that we not only be protected from the cheap labor in foreign countries but that we be protected from the cheap labor within our own boundaries.

Mr. COX. Will the gentleman yield?

Mr. GIFFORD. Gladly.

Mr. COX. In 1828——

Mr. GIFFORD. I was not here. That is pretty far back.

Mr. COX. But it affects the gentleman's statement. In 1828 when the Senate had the tariff under debate, speaking with respect to a particular amendment, Mr. Abbott Lawrence, of Massachusetts, the economic and political adviser to Mr. Webster, stated to Mr. Webster:

> I must say I think it would do them much good and that New England would reap a great harvest by having this bill adopted as it now is. This bill, if adopted as amended, will keep the South and West in debt to New England for the next hundred years.

That time has expired. Is the gentleman advocating the passage of this bill and the employment of Federal force to the end that he will impose a further handicap upon the South under which it must struggle for another hundred years?

Mr. GIFFORD. It is hard to reply to the gentleman because he knows my general attitude of mind. This bill particularly affects my district but I am quite convinced that the legislation may in the end be for the general welfare of his section, and the Nation as a whole.

Mr. COX. Very true, but is the gentleman not prepared to concede it to be a fact that this whole measure has

degenerated into a purely sectional row, and that the purpose of the bill when stripped of its emotionalism is nothing but an attempt to continue a great section of this country under a handicap under which it has labored for 100 years?

Mr. GIFFORD. Indeed I am not ready to admit that. I confess that when this bill was considered before, I had considerable misgivings, taking the broader aspect of it, but I do not believe it is wholly emotional when this great majority here today stood on their feet and voted to take up this measure.

Mr. COX. It is difficult for me to believe, knowing something of the gentleman's general attitude toward governmental affairs, that he has brought himself to the position, no matter what the political exigencies may be, wherein he is advocating the setting up of a law which sends the Federal Government out into the States, asserting the Federal power to the point of complete federalization of all the activities of the people.

Mr. GIFFORD. I can fully appreciate the gentleman's remarks. I believe he must have understood my attitude on many occasions. As I have said, I have wrestled with this problem since its very inception and have studied it with great care. I believe this bill is for the general welfare of the entire country. We have built a new structure in this country in the last 5 years, and we have to live in it. You have done certain things for the benefit of certain localities and certain classes of people, and now it is my plain duty to look after the interests, perhaps, even of my own section. New England has been greatly injured by this administration through such things as processing taxes and trade agreements, and it has been forced to contribute far more than its just share in taxes to pay largesses granted to other sections. It is not to be wondered at that we grasp at something that might be of a little benefit to us.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. For a brief question.

Mr. COX. Is the gentleman now contending that this bill is upon the lap of Congress as a result of political pressure? Does not the gentleman know and is he not willing to concede that politics is responsible for this terrible thing being done?

Mr. GIFFORD. I cannot yield further, Mr. Chairman.

I sympathize with the gentleman and deplore with him the political mind of his President, who has fastened upon us, because of the mandate he thought he had from the people, very many of these things I have had to vote against.

[Here the gavel fell.]

Mr. WELCH. Mr. Chairman, I yield 3 additional minutes to the gentleman from Massachusetts.

Mr. DONDERO. Mr. Chairman, will the gentleman yield for a question?

Mr. GIFFORD. I cannot yield at this time.

The reason I took the floor is that I wish to pay tribute today to the city which I repesent. Lately a compact has been made in the cotton-textile industry in my State, a compact which is probably unlike anything in the country today. Labor and industry have got together.

I am pleased to share with you the good news I have received relating to a charter of industrial self-government adopted in the city which I represent:

THE NEW BEDFORD PACT

The cotton-textile industry of New Bedford has done a remarkable thing. Labor and management have come together in a pact which outlaws strikes and lock-outs and makes arbitration compulsory for the settlement of all disputes. Many thousands of workers and a score of mills are covered by this contract.

This agreement is a bargain between the labor organizations of a single city and the operators of the industry which dominates that city. The labor groups have nothing whatever to do with either the C. I. O. or the A. F. of L. This is a rare situation, which was brought about by local differences between the locals and the C. I. O. Last January a wage reduction was negotiated with the manufacturers by representatives of the several craft unions. While these unions technically were embodied in the C. I. O., they went ahead with their bargaining, and the C. I. O. officials learned first of the results through the press. Thereupon the C. I. O. suspended the secretaries of the several craft unions. The unions proceeded as independent units to come together with the managements in this comprehensive compact.

Thus these labor forces constitute a city-wide union of the textile crafts, with the "suspended" secretaries included. The management recognizes the council as the exclusive bargaining agency for the workers, and the pact includes the machinery for investigation of disputes and the enforcement of arbitration decisions.

The management feels it has scored a distinct gain by emancipation from the C. I. O. Plainly this is something to watch. If the managements keep the letter and spirit of the pact and the workers seize the opportunity to demonstrate their reliability and perform each day a fair stint of work, an illustration of what ought to be will be provided for the whole country. Considered simply as a pact, without reference to its background, this must be regarded as an example of industrial statecraft.

This agreement is an example of industrial statesmanship. It is an honest and serious bid for industrial tranquillity. It is a local pact, locally conceived and locally administered. The thousands of local textile workers should be congratulated that they have available the opportunity for protection and human consideration in all matters covered by the agreement. They are under no necessity to experiment with organizations controlled by strangers hundreds of miles away, with little or no actual first-hand knowledge of our industry, and to whom we may be simply a dot on the map or a mere collection of names in some far-distant office filing system. The community is to be congratulated that the stabilization of industrial relations through mutual guaranties of peace is assured for a considerable period. Industry and labor locally have publicly declared it to be their solemn purpose to seek peace and tranquillity in its industries.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Georgia.

Mr. COX. I take it the gentleman's understanding of this proposal is that it is to do something for the substandard worker.

If this be the real purpose of the bill, does not the gentleman realize that in the exceptions that are made you destroy the virtue of the assertion the gentleman has made?

Mr. GIFFORD. I cannot yield further. We have to have a rule. Everybody knows a law should not be ironclad and that there should be exceptions, and when the exceptions get to be too many, we have to change the rule.

Mr. COX. Is the gentleman not prepared to concede that agricultural labor is the lowest-paid labor in the world?

Mr. GIFFORD. I am prepared to concede that agriculture has got everything it has asked for—billions of dollars and all kinds of loan facilities—but industry has had practically nothing.

Mr. COX. Does the bill in anywise promise to alleviate the economic and social condition of agricultural labor? If the purpose of the bill is to alleviate the condition of the substandard worker, and if the agricultural worker is the lowest paid in the world, then why exempt agricultural labor? You exempt them simply because you know agriculture cannot live under the provisions of this law.

[Here the gavel fell.]

Mr. GIFFORD. I was quite willing to yield to the gentleman; but under the permission I have to revise and extend, I hope to make a proper ending to my own remarks. [Laughter and applause.]

The passage of this wage and hour law would add greatly to the encouragement of the workers of the North, who have so long been obliged to compete with the cheap labor conditions in other parts of the country. However, the good results which ought to flow from this legislation should be regarded as by no means sectional or of especial benefit to northern industry. This legislation is rather aimed to benefit the workers now being exploited in other sections of the country in order to take business away from the more progressive areas. In fact, the charge of sectionalism is amply disproved on the floor today by the tremendous vote in favor of the consideration of the bill coming from all sections of the country. After careful consideration of the broader aspects of this legislation we have decided that the measure is for the benefit of the Nation as a whole. Certainly it should result in bringing to the low-paid areas a greater purchasing power, which has been the burden of our arguments for the past several years. The wage worker in any industry should be protected against the loss of his job or the lowering of his living standards in the endeavor of industry to exploit him by forced acceptance of a low standard of wages. American business should not all go to the low-wage employer.

This is not sectional legislation. This is uniform legislation, national in scope and character.

Mrs. NORTON. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. KELLER].

Mr. KELLER. Mr. Chairman, I am very glad, indeed, to intervene just at this point between my two friends on this floor, whose discussion has shown something to exist that does not exist at all—that is to say, sectionalism—in this wage and hour bill.

I want to call your attention to this fact, and I do not want any of my friends from the South to kid themselves into believing that this is or can be considered a sectional question, because it is not, as proved by the facts I am going to cite you right here and now.

The good old State of Pennsylvania in 1936, at the peak of the recovery period, had to grant relief aid to full-time workers whose wages were as low as $7 a week. This was revealed to be the case in 29 percent of the 190,000 relief grants that were examined. That is to say, out of the 190,000 cases examined, 74,000 working full time received relief from the State of Pennsylvania.

Further proof of this is that the same survey, which I take from the October number of the Monthly Labor Review, an official publication of this Government, shows that in 79 cities in 39 States divided among the North, South, East, and West, similar relief grants had to be made to full-time workers, many of whom received no more than six or seven dollars a week—not enough to exist on at those points. Hence these grants and hence this bill. The South does not encompass 39 States, and the South is not being mulcted by this law. It is being lifted out of the condition it has fallen into during a century and half of its self-control through these State governments.

These facts, therefore, show clearly that this bill is not a sectional measure; it is purely a national measure. It is not anything else, and never can be.

I want now to call your attention to another subject. We have in this bill what is coming to be known as the escalator provision, which is a provision to start at a sufficiently low figure as to permit as little shock as possible, or as little fear of shock as possible to business in adapting itself to the new wage and hour law. We begin there and advance it little by little until 40 cents an hour is reached.

This escalator provision does another thing: It starts at a limited number of hours above 40 hours per week and reduces the hours by easy stages to 40, so that in due course we will have 40 cents an hour and 40 hours a week all over the whole United States, not have that in some part but have it in all parts of the country.

This so-called escalator provision, let me say to you, is the idea of a southerner, a man of brilliant mind, great heart, good soul, a thoroughgoing southerner who knows exactly what this thing means and what it is going to mean, because he knows that the South must raise its wages if it is going to prosper along with the rest of this country. His name is GRAHAM A. BARDEN, a new Member of this House, a new member on the Labor Committee, a man who thinks all the way through, fairly to all sides, and then gives expression to his brilliant mind. He did this in what we are coming to know as the escalator clause.

This in all fairness ought always to be known as the Barden amendment, because out of BARDEN'S mind, out of BARDEN'S brain, and out of BARDEN'S soul came this amendment which was offered last year to the bill which came before this House. I do not propose that his name shall be cut away from this legislation or that his name shall be forgotten. He has the ability, the character, the education, the aspiration, the sympathy for his fellowman that in due course will make him one of the recognized leaders of the new South. He has vision, but he also has practical sense and a wide experience in the affairs of men that are bound to stand him in hand in the adjustments that the coming years are certain to require. He, above all things else, is honest and unafraid. This Barden amendment is an earnest of his future service to his country.

I want now to present one more point, and only one, and that is this: When the N. R. A. came on it saved the industries of this country from chaos, nothing less. And how did it do it? Although we had 500 codes, every one of them made a floor for wages and a ceiling for the workweek. It was, in fact, our first wage and hour law.

I am simply calling attention to the facts, and I want you to get the facts, and I challenge any opponent of this bill to successfully dispute what I am here presenting.

In the South the codes set $12 a week for 40 hours of labor as the minimum wage and in the North $13. What happened? The South prospered as it never had prospered before. The South paid $12 for 40 hours' work. It could afford to pay and did pay the wages, and it did prosper. And so did the North. What is the use of trying to cover the fact? As chairman of the subcommittee of the Committee on Labor I carried on for 2 years an investigation of the textile industry. I took up that question of the effect of the N. R. A. before the subcommittee time after time, with many businessmen from many sections of the country. All of them agreed the N. R. A. had saved the business of the country from chaos. Nobody denied it, and nobody who knows and has a regard for the truth can.

The trouble did not come under or because of the high wages. Here came the trouble: The Supreme Court nullified the N. R. A. and then began the difficulty, because the chiselers in business in this country began to cut the wages and to lengthen the hours of labor. Immediately, we started into a tailspin economically in this country. We ought to know enough to stop the thing where it is. It is for that reason that this bill is an absolute necessity nationally, just as much for the South as for the North, just as much and no more for New England as it is for South Carolina and Georgia. And Georgia needs it, and you will never have what you ought to have in Georgia until you get something of this kind and put it into force and effect.

I have no illusion as to what this wage and hour bill may accomplish. It may not give many new jobs.

This is, however, a vital matter to industry itself as well as to the men and women who work in industry. When we reach a 40–40 basis nationally, the cheaters and chiselers in industry will be through with the exploitation of abject and helpless poverty for profit. We can then legislate effectively without any fear of injury or injustice to any business or any section. This laying of a wage floor and the establishment of an hour ceiling is the first very necessary step to effective, permanent labor legislation.

We can then proceed to the procurement of a much shorter workweek, to a much greater purchasing power, to the assurance of a job for every man and woman who wants to work, to the provision for the opportunity for universal employment so that the 700,000 young people coming ready for industry each year shall know that a job is ready for them when they are ready for the job, and that it will so continue so long as they are able to work. That even then old-age pensions will provide security against the paralyzing fear of poverty as they approach the sunset of life. This is not too much to expect. We shall indeed do vastly more.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WELCH. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Chairman, the gentleman who just left the floor, the gentleman from Illinois [Mr. KELLER], said a good deal about the N. R. A. The N. R. A. decision of 9 to 0 by the Supreme Court was one of the finest things that ever happened for this administration, because it saved it the stigma of failure. The N. R. A. was soon to fall of its own weight. While the N. R. A. raised some of the lower wages, employers pulled down some of the higher ones, and that answers your argument that this will increase the purchasing power. It will not increase it one dollar, because they will take it off the higher wages if they have to put it on the lower ones, and that is the N. R. A., and the 9-to-0 decision by the Supreme Court was the greatest face saver

this administration has had. The N. R. A. would have fallen in a short time of its own weight. It drove small businesses to the wall, just as this will do. It drove thousands of small concerns out, and this bill will do the same thing. This was proposed in May by the President, in the middle of the Court fight, with a determination that it should be a second N. R. A. That is why this is before the House. It is before us as a second N. R. A., pure and simple. It is not the intention of the Chief Executive to fail in anything. He put the second A. A. A. over, and my farmers do not like it; and he will put the second N. R. A. over if he can, and I feel that a rubber-stamp House will let it go through. Our hope is on the other side, in the Senate, and that is all that is left for us.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. Yes; I yield to the brilliant gentleman from Georgia.

Mr. COX. Did I understand the gentleman to say, in effect, that the pending bill is the result of a marriage between politics and the C. I. O.?

Mr. LAMBERTSON. I think so. The C. I. O. led the procession.

Mr. COX. And that this bill would not be here except for the political exigencies of some people?

Mr. LAMBERTSON. It is only here because there is a fight in labor. In spite of the President's persistence, this bill would not be on the floor of the House today if it were not for the fight between the C. I. O. and the A. F. of L. That is all that brought this bill here. John Lewis' Labor's Nonpartisan League led the procession. Mr. Green had finally to fall in; but neither one is for this bill, and the Denver convention of the A. F. of L. a year ago was not really for any wage-hour bill.

Mr. FLETCHER. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. Yes.

Mr. FLETCHER. The gentleman implies that he is opposed to both the agricultural legislation that has been passed, and which is approved by a member of his own party on the Agricultural Committee, and from his own State, and he is opposed to labor legislation that we are now considering. Has he any substitute for either one of those measures?

Mr. LAMBERTSON. You bet I have, for both of them.

Mr. FLETCHER. What would be the gentleman's substitute? Will the gentleman put it in the RECORD?

Mr. LAMBERTSON. I will put it in here. The farmers never asked for this farm bill. All they wanted at most was a soil-conservation program and cheap money. They would have been satisfied with that.

Mr. FLETCHER. Did any farmer ever write the gentleman about cheap money? Nobody I ever knew of wrote about cheap money.

Mr. LAMBERTSON. Did not the gentleman ever hear about BILL LEMKE? What we want is to put 13,000,000 men to work and not to raise the wages of some who have jobs already. There is an absolute fallacy in this bill ever putting anybody to work. It will throw plenty of them out of work. For this bill I would substitute one giving the Federal Trade Commission power to declare any wage in interstate commerce unfair which was substandard.

Mr. ALLEN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. ALLEN of Pennsylvania. Will the gentleman explain how we can put 3,000,000 people back to work unless we provide sufficient buying power for them to buy back the very things they make?

Mr. LAMBERTSON. That is the fallacy that runs throughout the theories of this administration.

Mr. ALLEN of Pennsylvania. The gentleman has not yet explained the fallacy.

Mr. LAMBERTSON. How can you put people to work by raising the wages of those who have the jobs already? You had better create more jobs, spread the work.

The hour principle of the bill is all right but the minimum wage is the asinine part of the bill and the real bad part of it.

Mr. ALLEN of Pennsylvania. You create more jobs if you create more buying power.

[Here the gavel fell.]

Mr. WELCH. Mr. Chairman, I yield two additional minutes to the gentleman from Kansas.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. CRAWFORD. Did the gentleman ever hear of buying power being created anywhere on the face of God's earth other than through the toil of man?

Mr. LAMBERTSON. That is the real thing. You are not going to bring about prosperity by priming the pump, nor are you going to increase employment by raising the wages of those who have jobs. Both are fallacious.

Mr. KITCHENS. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. KITCHENS. The gentleman spoke of the farmers' wanting cheap money. Will not this bill create monopolies, destroy small industries and small factories, and place them in the hands of capitalists and great industrialists? They are the ones who fix the value of money. In that way they will have control of the wages and of all labor.

Mr. LAMBERTSON. Yes; by destroying small business and throwing all business into the hands of monopoly. That is the vice of this bill.

Mr. KITCHENS. Without control by the Congress of money and its value we cannot fix wages, can we?

Mr. LAMBERTSON. I do not think so.

Mr. BRADLEY. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. BRADLEY. If that is the case will the gentleman explain why the chambers of commerce in all the industrial cities are practically opposed to this bill?

Mr. LAMBERTSON. I do not know that to be the case. The point is that a wage-hour bill that was considered after the one that was recommitted did not exempt farmers. What if all farm labor were given $4 a day. Immediately half of it would be unemployed. Ostensibly this bill exempts farmers but in reality it does not. [Applause.]

[Here the gavel fell.]

Mr. FITZGERALD. Mr. Chairman, I yield 15 minutes to the gentleman from Tennessee [Mr. MCREYNOLDS].

Mr. MCREYNOLDS. Mr. Chairman, I have been very much interested in this discussion. Especially was I attracted to the words and the admissions of the gentleman from Massachusetts [Mr. GIFFORD] that he favors this bill because he feels it will give New England a sectional advantage. I had hoped—while I knew that that was true—I had hoped that every Member of this Congress would at least want to leave the impression that he was supporting the bill for the good of the whole country.

Since this orphan child was exhibited before us at the special session last year it has had some growth. The brain child of last December was a foundling dumped upon the doorstep of the gentlewoman from New Jersey. It now blushes forth as the robust child of those who a few months ago knew him not. Cradled upon the pillow of sectional advantage, suckling upon the breast of tariff discrimination, the child has been snatched from its assumed parents, Labor, and is now championed by the representatives of northern and eastern industry. His little playmates, the men and women employed by southern industry, their clothing rent by freight discriminations, their feet long calloused by the sharp stones of Republican tariffs, stand alone, forgotten by those who would have us believe they are the champions of labor.

The battle lines are drawn between those who wish to cut off southern competition by throwing up but another protecting tariff wall around the industries of the North and East to the detriment of the wage earners of southern factories.

The last words I said during the discussion of the bill at the special session was an appeal to send the bill back for further study so that later on we could write a bill in the true interests of the laboring men and women of this country, a bill that the people really wanted, instead of turning our duty over, as we did in that bill, to some administrator not answerable to the people.

I had hoped that a bill would be brought before the House that I could support. There is no one more against cheap labor than I. If I thought this bill would do what they say it will I would be for it, but it cannot under the present conditions. If you know the conditions and throw away political incentives you know in your own heart that this bill is not in favor of the laboring man or of labor organizations.

The argument is made for the passage of this bill that in order to increase prosperity you have to increase the purchasing power of the laborer. This is true, provided each laborer who has a job now retains that job and receives an increase in his pay. But it is not true if many who are now employed, even at a low wage, are thrown out of employment, or if the minimum wage set forth in this bill in many instances proves to be the maximum wage. This has occurred here in Washington where they have a minimum and maximum wage law, and it will occur all over the country whenever this bill is passed and becomes a law. I think no one would make the argument that if this bill is passed it will increase employment, as the facts are very evident that it will not. At present we have many millions of people out of employment and this is no time for experiments. If we did not have these unemployed and times were good, this bill might improve conditions.

One provision in this bill which I can heartily support is the child-labor amendment. [Applause.] I favor that, but I do not favor this bill and shall vote against it if it is left in its present form.

I insist that 25 cents an hour is not enough for any man or woman who can perform decent labor and do it under proper circumstances if the party by whom he or she is employed can afford to pay more. But what do you propose to do? You propose to put upon us in the southland the same rates, regardless of the character and kind of conditions. You give no incentive to the man or woman to receive more for his or her work. You propose to make us pay the inefficient just the same as the efficient. Let me say that, in my opinion, this minimum wage in many instances will prove to be the maximum wage. Let me say to my laboring friends in the gallery that I have voted for the principal bills in favor of labor from the Howell-Barkley bill, the railroad retirement bill, the arbitration bill, to do away with the "yellow dog" contract, the National Labor Relations bill, and the Guffey coal bill, but if this bill is passed, remember it will fix a precedent; it will fix the minimum and the maximum wages; and if it is held constitutional by the Supreme Court, which is very doubtful, you will regret the day this bill passed. Why do I say it?

Not long will it be until the automobile workers, not long will it be until the steel workers and others, will come back and ask this body to fix wages for all industry, big and small, which only the big industries can pay. When that time comes you will need no labor organization and you will have none, and I do not want to see that occur, because I believe in organized labor and collective bargaining. In my opinion, that is as true as God made little apples. Put that in your pipe and smoke it.

Mr. FLETCHER. Will the gentleman yield for a brief question?

Mr. McREYNOLDS. I have not the time.

I say that because I believe wages should be fixed by collective bargaining. You cannot fix wages all over the United States at one price. May I say further that this is not the President's bill. You heard his message to this House, and I will give just one quotation from that message, which he delivered on January 3, 1938:

> No reasonable person seeks a complete uniformity in wages in every part of the United States.

If, referring to the President's remarks which I have just quoted, that "no reasonable person seeks a complete uniformity in wages in every part of the United States," why are you trying to push it down our throats?

A few days ago, when the relief bill was before the House for consideration, I offered an amendment to that bill providing that the unskilled workers of the W. P. A. be paid a uniform wage with no discrimination. I explained to you at that time that in certain sections of the South the W. P. A. were paying our workers $19.20 a month, and under the same conditions in northern New York they were paying $40 a month, here in Washington $45 a month, and in New York City $55 a month. Mr. Gill, Deputy Director of the W. P. A., advised me that these rates were figured out by the Labor Department on the cost of the standard of living. I told this House at that time you people who are advocating this wage and hour bill today and who are asking our southern industries to pay the same rate as they pay in the North, should certainly vote for that amendment, and you had a chance to be consistent, but you refused to do it and voted it down. If you had voted to pay our W. P. A. workers the same, then I would have had reason to vote for this bill. By passing this bill and refusing to pass my amendment you are putting the Government in the position of recognizing a difference in their pay from $19 to $40 between the North and the South. Our distressed people in the South are entitled to the same consideration as yours are in the North.

Pass this bill in its present form and who will gain by it? Northern and eastern labor? No. You gentlemen charged when I offered my amendment to the relief bill that the wages of W. P. A. were paid according to existing wage rates. If that be true, then the scale paid in the North and in the East by the W. P. A. proves that your workers already are getting more than 25 cents per hour. Who then will benefit by the passage of this bill in its present form? The northern and eastern industrialists. Why? Because added to the burden of excessive freight rates, the age-long discriminations placed against struggling southern industry, this bill will be the final blow to competition of goods made by many small industries in the South and sold in the eastern and northern markets.

Who will be the losers by the passage of this bill in its present form? The southern worker, and you know it. If the goods he makes cannot compete in the northern and eastern markets he will lose his job. What good will a 25-cent or a 40-cent rate be to him then?

It may be good politics to pass legislation stating that these fine spring days must continue throughout the year. I would like them to stay on throughout the year myself. Especially so for the poor fellow who has no overcoat. But you know as well as I that no matter what laws you may pass to the contrary winter and snow and frost will come.

You also know that no matter how much you may like to see the workers of this country make good wages and work short hours that alone depends upon the economic conditions of this country; that the employer, in whatever industry, can pay wages—good or bad—alone from the profits he gets from the products he makes. You may pass a law stating that John Jones, who sweeps the floor of the factory, shall get 25 or 40 cents per hour and that he shall work but 44 or 40 hours per week. Fine and dandy, no one would like to see John get those wages or work those hours more than I. What I know, and what you know, however, is that unless John's employer makes a profit from his mill, John will sweep no floors at all. He will go on relief. Now, if John's employer has to pay discriminatory freight rates, if his mill is located far from the markets both of his finished product and the raw material from which his product is made, that cuts the margin of profit out of which John is paid. Add to John's employer the added burden of having to pay John the same hourly rate as that paid in another mill close to the source of raw materials and closer to the market and you cut the margin of profit still further, perhaps you eliminate it altogether. What then for John? By statute the sun shines and the flowers bloom throughout the year. John has his wage rate, his shorter workweek. If he only had a job,

that would be swell. But as sure as the coming of the snow in winter, John's employer will fold up if he cannot make a profit, and then John's wage scale will avail him nothing.

And so, my friends, much as I should like to vote for a bill that will be in the true interests of the wage earners of my district, my conscience will not permit me to vote for this bill, knowing as I do that it will punish the workers I represent here in Congress.

Mr. HEALEY. Will the gentleman yield?

Mr. McREYNOLDS. I cannot yield, and I say that in the greatest of friendship.

A few days ago I saw in the press where my good friend from Massachusetts [Mr. HEALEY] had assumed command of the forces toward the passage of this bill and he gave out an interview that they would not allow any amendments of any character. I am very sorry to know this. I had thought while they are determined to pass a bill that any amendments we might offer which would have a tendency to improve the bill would not be turned down without consideration. This bill has made strange bedfellows. I imagine as General HEALEY approaches and gets ready for this fight, he discovers on the Republican side a tall black-headed handsome gentleman who has never in any way associated himself with the administration. The General assumes, of course, he is carrying the flag of the administration but the gentleman on the other side is not marching under this flag; he carries the flag of the northern and eastern industries and we discover that it is Lieutenant FISH in command of a small squadron. I imagine a conference occurred among these gentlemen that went something like this:

"Why, of course, I could not carry your flag, General, because on this reorganization bill in one sense I actually pronounced the man a dictator or words to that effect." General HEALEY replied, "You must remember this is a camouflage. While I voted for the reorganization bill, most of the boys from the East voted against it. So this is a camouflage. You know, these boys in the South are real Democrats. They were Democrats before we ever thought about it. We have this camouflage here and perhaps we might get some of them to follow and march under that banner." So you see why my friend from New York is advocating this bill. He thinks it will give him some sectional advantage, and I make that statement with the greatest respect. I read that quotation from the President's message to show that this is not the President's bill. I have stood by the President as well as any man in this House. My record is as clear as anyone's in that respect. But may I say when that section of my country is involved, I shall stand and fight as I see best for my own people.

[Here the gavel fell.]

Mr. HARTLEY. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. McREYNOLDS. Mr. Chairman, you are familiar with how we are discriminated against so far as freight rates are concerned. It costs almost twice as much to ship from my town, Chattanooga, to Chicago, 330 miles, as it does from Chicago to Chattanooga. We have tried to do away with these discriminations, but have been unable to do so. It is not the big fellow who will feel the effects of this.

It is the little fellow for whom I am talking. It is the little industries in my district, the little canneries, the little sawmills in my district that are giving employment to those few people situated way up on the mountains and out in the country that cannot pay this wage. Those people will be out of employment. As the gentleman from Kansas said a while ago, the minimum will be the maximum, as the higher will be reduced to the lower.

Mr. Chairman, I stand up here today speaking for the little man. Instead of increasing employment, this bill is bound to put at least 2,000,000 more people on the relief rolls, in my opinion. God knows we want to keep these people off of relief as much as possible. Let us put some amendments in this bill that will aid in the direction of keeping people off the relief rolls.

Mr. Chairman, I am sorry that the gentleman from Massachusetts has seen fit to raise the sectional line. I thank God there is no sectionalism in my veins, but when the southland is being attacked, and when discrimination is being registered against that country in which I was born and raised and upon whose hills and valleys my dear ones sleep, you may expect me to stand up for justice to that section of the country. Just after the great Civil War our people accepted defeat and when they returned to their homes many found no homes. The homes had been destroyed. Their loved ones were gone, their houses were burned, their fences destroyed, and they had no personal property. But they had more than personal property. They had that true manhood and womanhood of the southern people. The southern woman showed the same spirit as the Spartan mother when she sent her son forth to battle: "Return, my son, upon thy shield or with it."

We worked and did the best we could, and as we progressed we sold in an open market and we bought in a closed market because we were an agricultural section and the other was industrial. But we continued to grow on account of climatic conditions; closer to raw material and with no labor troubles, and manufacturers came to the South, and we have been competing with northern industry regardless of the fact that we are discriminated against by railroad rates and have longer shipments to market. These conditions exist now, and the northern industries are trying to stop the progress of the South and they feel if they can pass this bill it will really be a tariff against southern goods. I had thought this country was big enough and great enough, with improved communication and transportation, that the eastern and northern sections could realize that the prosperity of one section affected the prosperity of another. I think some day you will recognize you have made a mistake, because our moneys are constant feeders to the eastern cities.

I am sorry this question has been raised, but since it has, I, for one, shall stay with that southern country regardless of what may be my political sacrifice.

Let us salvage what is best in the bill and eliminate that which is designed to give sectional advantage to one section of the country at the expense of the other. Let us amend the bill in the true interests of the workers everywhere. Let us make of it a bill that will help the worker and the man who pays the worker his salary. It can be made to work in the mutual interest of both worker and employer. Unless it does the bill should not be passed. [Applause.]

Mr. WELCH. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. BOILEAU.]

Mr. BOILEAU. Mr. Chairman, the distinguished gentleman from Tennessee referred to the differentials in wages paid W. P. A. workers. I wish to remind the Members there is no discrimination in W. P. A. wages in any section of the country. The law provides that wages paid to W. P. A. labor shall be equal to the prevailing wages in the respective areas of the country.

Mr. McREYNOLDS. Is not that as to skilled and not unskilled labor?

Mr. BOILEAU. No; as I understand, as to all labor in the W. P. A. it is intended the prevailing wage shall be paid.

Mr. McREYNOLDS. No; I beg the gentleman's pardon, that is as to the skilled labor.

Mr. BOILEAU. I believe the gentleman is in error.

Mr. McREYNOLDS. No; I am not.

Mr. BOILEAU. The W. P. A. pays the prevailing wage, whether or not it is written into the law. On that particular point, the fact of the matter is that it does pay the prevailing wage. It makes only such difference in the wages in the various areas as unskilled labor receives in such areas. The reason you have the 16-cent per hour rate in the Southern States as compared with the 38-cent per hour rate in some of the Northern States, in communities of comparable size, is that the prevailing wage in the respective communities varies to that extent.

Mr. McREYNOLDS. Will the gentleman yield further?

Mr. BOILEAU. Yes.

Mr. McREYNOLDS. I made inquiry of the W. P. A. as to how the unskilled labor was paid and I found that the

officials of the W. P. A. have drawn zones which include from the edge of Kentucky south. They stated to me they had figured out the rate in accordance with the standard of living, and furthermore, that what affects it is the cities or towns in the county or adjoining counties.

Mr. BOILEAU. Yes; they determine the wage according to the prevailing wage in the community. If the gentleman will read the bill we passed in the House just the other day he will find it contained a provision to the effect that W. P. A. wages should not be less per hour than the hourly wage prevailing in the various communities. The only reason there are differentials in the W. P. A. wages in the South and the North is that industrial labor bears the same differential in wage rates. I predict that if you pass this bill with a minimum of 25 cents an hour for industrial labor there will be no justification for paying one cent less than 25 cents an hour to W. P. A. workers in any section of the country, and you will automatically bring up the wage paid to W. P. A. labor in the South. I am for it. Personally I do not believe any man in the country, whether he be in the North or the South or the East or the West, should be obliged to work and provide for a family on a wage of less than 25 cents an hour or $11 per week. That is little enough for any man, and it is all we contend for in this bill. If we were fixing wages for all labor throughout the different sections of the country there would then be some justification for this claim of setting up differentials, but as long as we are only fixing a minimum wage, a wage that is so low that below it nobody could be expected to live and maintain a family in health and decency, no one can claim we are trying to discriminate against any section of the country.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield very briefly to the gentleman.

Mr. COX. If the gentleman had the power to fix the wages of labor, would he in the exercise of that power totally and completely disregard the ability of the employer to pay the wage fixed, and would the——

Mr. BOILEAU. All right; I will answer the question. I do not want the gentleman to take too much of my time. The gentleman finished the speech of the gentleman from Massachusetts, and I do not want him to finish my speech.

Mr. COX. Would the gentleman in the exercise of that power disregard the right of a free person to sell his own labor as he might wish?

Mr. BOILEAU. You put this hour and wage legislation into effect as it is written here, with a minimum of 25 cents, and inside of a year there will not be any employer in my State who will not pay half again that much to his employees. Most are already paying that much. In those industries where less than 25 cents an hour is being paid in my State the industries are forced to compete with certain sections of the country that are paying a lot less. You bring your standards up to standards of health and decency and we will increase ours greater than they are today. What is more, we are preserving for organized labor its right to bargain collectively, and it will bargain for a higher wage than that. By this law you merely enable our people to maintain a decent standard while you are having a decent standard in the South. We will pay higher wages than you will because—and I say this without any reflection on the South—I believe we have been a little more progressive along these lines in the North, and I think most of you will agree with that statement.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I am sorry, I cannot yield. I should be very glad to yield, but I must answer the question the gentleman propounded. I have not finished answering it yet.

All we ask of you is just to give us half a chance to maintain decent levels. Something was said here about some of the northern industries paying less than 25 cents an hour. That is true, but if you will examine the northern industries that are paying less than 25 cents an hour, I believe you will find—and I do not claim to have studied this thing through, but make this statement simply after reflecting on some of the industries that came to my mind a moment ago—that practically all of the northern industries that are paying less than 25 cents an hour are in direct competition with your industries in the South. That is the trouble.

You bring your wages up to a minimum of 25 cents an hour and we will increase our wages to a much higher level than that.

The gentleman from Georgia asked me if I would be willing to fix all wages without regard to the cost of living or the cost of maintaining a family. Of course, I would not do that.

Mr. COX. No; that was not my question.

Mr. BOILEAU. I understood that to be the last part of the gentleman's question.

Mr. COX. I said without regard to the ability of the employer to pay the wage.

Mr. BOILEAU. I will say this to the gentleman: That so far as I am concerned, any industry that cannot pay a decent wage has no justification for existing. [Applause.]

Mr. COX. Then the gentleman favors monopoly?

Mr. BOILEAU. I want to be courteous to the gentleman, but my time is limited and I must refuse to yield further.

I want to make that very clear so there will not be any misunderstanding about how I personally feel about it. I think the men working in an industry have just as much right to get a living out of that industry as the man who owns the capital invested in the industry, and I do not believe in destroying capitalism either. I believe in the capitalistic system, although I believe our present capitalistic system is in need of a good deal of reform. I maintain there are more people who have a right to get a decent living out of a business than the man who happens to own the factory. No American citizen should be required, because of the force of economic conditions, to accept a job because it happens to be the only one available and then be denied of the right to a decent living for his family and himself.

We are just fixing a minimum wage here. If we were fixing minimums and maximums, I would say there might be some cause of objection from some sections of the country; but when we are fixing the minimum wage as low as we are in this bill, I cannot see how anybody, who has any desire to help out the underprivileged in this country, can object to the standard we fix here on the ground that the wages are too high.

Mr. FLETCHER. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman.

Mr. FLETCHER. The gentleman said he believed that labor should have its fair share. What does the gentleman think of the profit-sharing plan that is being widely discussed now as a means of providing an equitable distribution?

Mr. BOILEAU. The trouble with most of those plans I have seen is that about 25 percent of the profit goes to 99 percent of the people in the industry and about 75 percent of the profit goes to about 1 percent of the people in the industry. The proportions are all wrong in the few experiments I have seen worked out. The idea is sound, and if it can be worked out, well and good. One good way to start distributing some of these profits is to say to the employer, "You employ your men, but you are not going to be permitted to employ a man at a wage so low that you ruin the whole industry, so that no one else can make a decent living out of the industry but yourself."

The gentleman from Tennessee referred to sawmills in his State, and said they could not afford to pay these wages. The remarkable thing about that is that some of the lumber mills up in my State have taken the same position. This is the thing that convinces me we have got to adopt a national program, because the lumber industry in our State is making the same complaint that the lumber industry is making down in Tennessee. If you put them both on a par and say, "You cannot pay less than 25 cents an hour at the present time, and that you must gradually increase wages so that inside of 3 years you must pay at least 40 cents an hour," they will then be on a fair basis of competition, and both will be able to pay these minimum

wages without ruining the whole industry; but if you permit the southern industries to chisel on the northern industries, and the northern industries to chisel on the southern industries, you are not going to have decent wages in any part of the country. You must take the whole industry and make these necessary changes, and I want to emphasize this fact.

[Here the gavel fell.]

Mr. WELCH. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. CRAWFORD. Mr. Chairman, I wish to ask the gentleman this question: If I understand this bill correctly, the minimum wage goes up 5 cents per hour for 4 successive years on an 8-hour day, which would be an increase of 40 cents a day. Is that correct?

Mr. BOILEAU. Eleven dollars a week now and $16 a week in 3 years.

Mr. CRAWFORD. Assuming that we raise the price level up to the 1926 price level of commodities and necessities of life, where will you be the first year or the second year, or the third year? Will not the increase in the price of necessities more than offset the increase in wages over the full 3-year period?

Mr. BOILEAU. It may to a certain extent, but not to the full extent, and let me say to the gentleman that the one thing this country needs more than anything else is an increased commodity price level and an increased level of property values, because if we are to stabilize at present wages and present values of real estate and all other holdings this country will continue to be in a bad condition, because the only way this country can ever pay its public and private debts is to have those debts more easily paid by increased income and increased values of property. If you increase the income of the people, of course, that will increase living costs to some extent, but you will also increase property values and the debt burden upon private citizens and upon the Government of this country and the States and municipalities will be that much more readily and easily liquidated. It is necessary for progress that there be an increased wage and an increased property value. We cannot hope to get out of the hole that we are in if we stay at the present price level and wage level.

Mr. CRAWFORD. And in that respect the gentleman is referring to the payment of debts only?

Mr. BOILEAU. Yes.

Mr. CRAWFORD. The gentleman leaves out of the question the man who has no debt?

Mr. BOILEAU. No; because that man who has no debt coming to him has property if he is solvent. He has property or he can transfer his cash into property. He gets an advantage through an increase in the value of his property. The man who has no wealth and no debts will be in the same position as he was before this change takes place. He is going along with the trend of the times. His position would not be changed one way or the other.

I do not want to indulge on any further discussion on that point, not because I would not be glad to do it if I had the time, but I want to conclude by emphasizing the point that in my mind is the controlling feature in this argument. We are fixing only a minimum wage, and that wage is only $11 a week. I submit that most of us spend that much money every week on pure luxuries, and perhaps more, and we ought to be willing that the fellow who works hard to earn a living for his family should have at least that much in order to keep body and soul together for his dependents and himself. [Applause.]

Mrs. NORTON. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. ALLEN].

Mr. ALLEN of Pennsylvania. Mr. Chairman, for a few moments I wish to direct the attention of this Committee away from sectionalism. This is not a bill which aggravates sectionalism. The State of Pennsylvania and the industrial States of the North need this bill just as much as do the States of the South. We must think in this country in terms where we realize that one section cannot prosper at the expense of another, that one industry cannot benefit itself at the expense of another. We are all bound together inextricably, closely, by division of labor and division of services, so that the effects in one part of the country are immediately felt in other parts. This is a bill which will do more good, in my opinion, than any piece of legislation that has come before us at this session of Congress to preserve for the future our entire system of private enterprise. We have gone along for years solving the problem of mass production, but we have failed to realize in our endeavors that mass production carries with it as a necessary corollary mass consumption. While we have developed producing power in America, we have entirely ignored the fact that there are millions of people who are potential customers whom we need today and that until they become customers in fact and in reality, we are going to have this depression and this serious business stagnation.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Pennsylvania. Not now. This bill has a threefold purpose as I see it. First, it eliminates sweat shops—it seems to me at this point that this answers the accusation by the opposition that we who are defending the bill are doing so for political reasons or under pressure from great labor organizations. The bill does not affect organized labor, but those 5,000,000 American working men and women who have not yet been benefited by organized labor. It affects 5,000,000 people who are outside the protection of labor organizations. The A. F. of L. and the C. I. O. are for the bill because they realize that there is a vast submerged group of our citizens which needs this help and which they cannot give them at this time.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Pennsylvania. Not yet. This bill will increase employment and aid industry by eliminating that ruthless type of competition which pays substandard wages and works labor long back-breaking hours, and it will further aid industry by furnishing those customers whom I described a few moments ago. How anybody on the floor of this House could object to this bill is more than I can understand. It demands a minimum weekly wage of $11 only. Let me remind my colleagues that the average American family today consists of four persons, and if we divide that four into the $11 a week, it gives $2.75 for a breadwinner to house and to clothe, to feed and to educate, and to give medical attention to each member of his family. That is 40 cents per day if you please. You could not do it and I could not do it. We have no right as representatives of our people to expect 5,000,000 of our fellow men to do the impossible. Any industry that cannot pay its labor $11 per week has no right to exist. It is a constant menace to our economic structure. If we are going to pull ourselves up from this depression we must provide American business with customers, customers with buying power. If we pass this wage and hour bill we are taking the first determined, constructive step in that direction. [Applause.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mrs. NORTON. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. MAVERICK].

BILL SUPPORTED BY A. F. OF L., C. I. O., AND RAIL BROTHERHOODS

Mr. MAVERICK. Mr. Chairman, I call attention to the fact that this is not a C. I. O. bill. The C. I. O. bill that was defeated last session was a mild affair.

This is the A. F. of L. bill. And the reason it was given consideration is because the American Federation of Labor is for it. So this is not a conspiracy of Moscow or the C. I. O., or of that alleged bad man, John Lewis. This is a bill of that nice gentleman, Bill Green, who is opposed to Government spending and stands well in respectable circles.

But, seriously, this bill is supported by the American Federation of Labor, the Committee for Industrial Organization, and the four brotherhoods. It is supported by hundreds of other organizations and opposed by all reactionaries. It is favored by Labor's Nonpartisan League. In truth it is a piece of legislation which seeks to protect labor all over our country.

IT IS FUNDAMENTAL LEGISLATION AND OF GREAT IMPORTANCE

This bill is of considerable importance to this Nation and not of superficial importance. It goes to the very economic fabric of the entire country.

It is a national matter.

As I said the other day when my friends from my part of the country said they wanted the same wages on W. P. A., it is a thing that involves our history and our present conditions.

IS THE BILL SECTIONAL? YES; IT WILL BENEFIT ALL SECTIONS

It has been said that this bill is sectional in character. Let us see whether it is or not.

No lower wages are paid in the United States of America that are paid in my district. I am not criticizing Alabama or Mississippi or Georgia. Wages paid in my district are just as low as wages paid in theirs.

Therefore, as far as I am concerned, this is a sectional bill, because I want the people of my district to get as good wages as the people do in the North and the West. [Applause.]

We are representatives of the United States of America, which is a nation; so we must look at this thing from a national viewpoint. When this bill was up for consideration before, the representatives of the South bitterly assailed it and defeated it.

But listen. Some of us, I think, see a little spirit of revenge on the part of our colleagues from the North and the West; they are going to put this bill over, no matter whether anybody likes it or not. My only hope is that if a reasonable amendment is presented they will give it careful consideration.

SOUTH PERSECUTED BY TARIFFS AND FREIGHT RATES

I want to say this much about the South, and it is true—the South has been persecuted. For a hundred years it has been persecuted by a tariff, it is persecuted now by unfair freight rates.

As a result of all this and as a result of the incubus of the colored people who were brought there as slaves—and some of them have never really gotten out of that condition and have brought the white sharecropper to their level—the South has the lowest living standards of any part of the United States of America.

I come before you and say: "O. K.; I throw in with you people from the North and the West; I will vote with you; but I want you to give my people in the South a square deal on freight rates and all the rest. Be fair to my people."

THE MINIMUM WAGE IS PROTECTION, NOT TARIFF ON THE SOUTH

As for this being an additional tariff on the South, it is no such thing by any stretch of imagination. It is a benefit to the South, because if you have tariff for the protection of industry, and we have minimum wages, you are giving our people in the South a break, some protection, some equality. This is one of the reasons I am for the bill.

Industry is advancing in the South, but the South is still an agrarian region. One thing I look upon with the highest contempt is the attitude of some of the chambers of commerce of the South. My own chamber of commerce did it once, but they do not do it any more—they advertised "cheap and docile labor."

NO LONGER LET US BE DOCILE

For my part, I want the laboring people in my section of the country to exercise again that spirit of independence they exercised in the Civil War and not be docile. No violence, if you please; just ballots; and a demand that we have better standards of living. No; I don't want my people to be docile, bowed-down beggars, but upstanding, courageous Americans demanding all their rights.

Yes, sir; I want them to demand the same wages as those received by the rest of the people of the United States of America. Some say they want a differential of 10 percent lower for the South. That is nothing. Common labor in the South gets about one-third or one-fourth of what it does in the North. It is not a matter of 10 percent; it is the matter of a huge amount. Laborers in the South get 60 and 70 cents a day, while the same kind of labor in the North gets $3 a day. The difference is tremendous and reflects itself in health, education, and living standards in general.

[Here the gavel fell.]

Mr. WELCH. Mr. Chairman, I yield 3 additional minutes to the gentleman from Texas.

BUT JUSTICE SHOULD BE GIVEN THE SOUTH

Mr. MAVERICK. Mr. Chairman, when we pass this bill we are asking that justice be given the South as it is to the rest of the Nation—the same kind of justice. I believe that if some concessions are asked by the South they should be considered, but I want everybody to know that, insofar as I am concerned, I am going to vote for this bill just exactly as it is, and I am not going to be soreheaded if you do not adopt amendments.

HUNDREDS OF MILLIONS OF FEDERAL DOLLARS—WHY NOT FEDERAL LAWS?

Oh, you voted and spent tens of millions of dollars in the South for the T. V. A. in Tennessee; you poured millions of dollars into Texas for the Colorado River Authority; you poured hundreds of millions of dollars into the South for cotton subsidies and flood control; you poured billions of dollars into the South for the W. P. A., so why, in God's name, shouldn't the South observe the laws of the land as the rest of the Nation does? If you let your Federal man come into the South with money, they are going to put laws on the South, and, as far as I am concerned, he can come on.

The people of the South are for the minimum-wage bill, and there is plenty of proof of this. LISTER HILL, our good colleague, just beat the socks off his opponent, and that was the only issue.

Down in Florida—and this is no personal reflection on our good colleague—Senator PEPPER was elected on that issue.

You who accuse the people of the South for being reactionary and stupid have got to wake up, for that just is not so. The people down South want the same protection people get over the rest of the United States.

Everybody knows that, and time will surely tell.

I believe if able enough men run for Congress upon this and other New Deal issues they will surely be elected, and I do not mean to be personal about that. As far as I am concerned, coming from a district which pays low wages, I welcome this bill.

Let it come on, because it will benefit the United States of America as a nation. We want a nation with decent standards. [Applause.]

THE WASTED LAND, BY GERALD JOHNSON; AND SOUTHERN REGIONS OF THE UNITED STATES, BY HOWARD ODUM—TWO GOOD BOOKS

Mr. Chairman, exercising my right to extend and revise my remarks, I wish to add certain excerpts from a book by Hon. Gerald W. Johnson, of North Carolina, who is on the Baltimore Evening Sun. His book is entitled "The Wasted Land," and it concerns the South. I want to point out this Mr. Johnson is no wild-eyed Yankee meddling with our institutions; he is a first-class southerner and so accepted over the South.

Mr. Johnson gives full credit to Howard W. Odum, author of Southern Regions of the United States. Johnson's book uses Odum's, which is long, detailed, and monumental. In fact, I believe that Mr. Odum's book is the best account of the condition of the South that has ever been written.

THE PSYCHOLOGICAL HURDLES OF THE SOUTH

I shall take the liberty of quoting from Mr. Johnson's book, The Wasted Land. He says: "The first step for southerners is to accept the inevitable and prepare for a long pull."

But he adds:

The next step is not the introduction of any new activities, but a more compact and efficient organization of those already in

progress. This involves getting over a terrific psychological hurdle, invisible, but nonetheless formidable. It consists of the imaginary lines that bound the States.

These quotations display rather well the psychological barrier to any solution of southern problems. That is because the hurdle exists in the mind of the southerner, and likewise in the man of the North and West.

Unfortunately, some feeling is being developed among regions and their political, labor, and business representatives. What I hope is that our problems can be worked out without unpleasant statutory force upon any region.

THE SOUTH ROLLS IN RICHES; SOUTHERNERS LIE IN POVERTY

Mr. Johnson proceeds to show the unsatisfactory condition of the South, and says, "By comparison with the rest of the United States the South is very rich and southerners are very poor." Then he adds:

When a region is conspicuously rich and the people who inhabit it are conspicuously poor, it is a fair presumption that their economy and statecraft are not up to the average, poor as that is by comparison with the ideal.

He proceeds:

Whether one assays its physical wealth or its spiritual wealth the result is the same—the South has much and uses little; or rather, it displays relatively small intelligence in the use it makes of them, and therefore derives a relatively small return from its immense possessions.

FORCES OF DESTRUCTION; NECESSARY WISDOM NOT DEMONSTRABLE

Answering the question as to whether the South can regain some measure of importance in the Nation, and improve itself, we read:

Granting that the region has exhibited splendid energy and vitality, especially since the turn of the century, the fact remains that there are even now tremendous forces of destruction at work in the South. Recently there has been increasing reason to believe that these forces are gaining on the forces of construction, and it is by no means unimaginable that they may eventually become dominant, sweeping the region back to a level of civilization far lower than that which it occupies today.

The destiny of the South is not yet fixed and determined.

Apparently its opportunity is great; but to improve that opportunity will require great wisdom, great tenacity, and great labor. The existence of the opportunity is demonstrable by examination of objective fact; but the existence of the necessary wisdom, tenacity, and industry is not demonstrable at all. On the contrary, it is evident without demonstration that they have not existed in the past in the measure required, for, if they had, the South would already occupy a position very much higher than the position it does occupy.

THE NEGRO AND THE CIVIL WAR—TWO MENTAL EXCUSES

There follows a southerner's explanation of two points so frequently mentioned as to the reason of the South's low standards. It is interesting.

Naturally southerners have found other explanations more flattering to their self-esteem, but none of these other explanations stands up under critical examination. The two that are most commonly advanced are the problems presented by a biracial population, and the destruction that accompanied and followed a disastrous war. There is a measure of truth in both these explanations. The problems that they involve are certainly no figments of the imagination, but they do not account for the present low estate of the region. The presence of the Negro complicates every social, political, and economic phase of southern life; but his presence likewise adds millions of brawny laborers to the South's available manpower. Intelligently handled, it is very efficient labor, too; but it is, to say the least, open to doubt that the South has ever handled the Negro in such a way as to make him the most valuable asset he is capable of becoming.

As for the war, firing ceased more than 70 years ago. Two full generations have lived since the end of the conflict. If the South has not recovered from the war by this time, then it is idle to expect it ever to recover. Indeed, it is easy enough to see, now, that the economy under which the South was operating before 1860 was virtually in a state of collapse when the war struck it; had there been no war, slave labor and a one-crop agricultural system would have proved ruinous, just the same.

It is arguable that the most serious injury inflicted on the South by the war of the sixties was not the material and moral destruction that it caused, not the bloodshed, not the aftermath of reconstruction, but simply the providing of a convenient scapegoat on which the South could lay the blame for all its subsequent economic, social, and political failures. Had our economy crashed without a war, then we might have searched more diligently and more intelligently for the economic causes of that collapse, instead of attributing everything unpleasant to the military calamity.

The terror of waste is described—which is the curse of the South. Indeed, he says, the South has thrown away 97,000,000 acres of land, and three and one-half million people have been forced to emigrate in recent years.

EVIDENCES OF FAILING CIVILIZATION

He is convinced there are strong evidences of a failing civilization. But read:

The evidences of a failing civilization are sufficiently well known. Some of them are an increasing dispossession of the tillers of the soil or their reduction to a state bordering on peonage; increasing concentration of wealth in the hands of a progressively smaller group; a sort of mental and spiritual fatigue resulting in chauvinism and suspicion of new ideas; fanatical, religious, and social orthodoxy that resents fiercely any suggestion of a reexamination of established concepts; the exacerbation of racial, sectarian, and factional animosities; a growing distrust of the processes of government, reflected in an impatient refusal to tolerate the delays inseparable from the orderly administration of justice. All these are present in the South; and their presence certainly raises a question as to the permanence of its present level of civilization—nay, a question as to whether it has not already begun to subside.

CHANGE WILL SUBJECT SOUTH TO STRESSES AND STRAINS

A conclusion is then made which applies to every question in the South, whether it is of hours and wages, agriculture, or any phase of life. Indeed, he indicates that any reorganization of southern life is not going to be any easy matter. Upon this, I quote:

It is difficult to escape the conclusion that the existing economy of the South is soon to be forced into a reorganization that will subject it to some appalling stresses and strains.

SOUTHERN CHAMBERS OF COMMERCE ADVERTISE CHEAP LABOR

The hope is expressed that the South can learn by experience in other regions. But that the employers and employees in the Southeast will do it "is by no means certain," and—

Chambers of commerce in some southern towns are still advertising cheap labor and absence of union organization as advantages. In some localities there have been outbreaks of violence in industrial disputes in which labor resorted to sabotage and capital to the use of hired gunmen. The road is wide open to a repetition of the old error of ordeal by battle, with all its frightful waste of money and men.

Mr. WELCH. Mr. Chairman, I yield 14 minutes to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. Mr. Chairman, this legislation is neither in the interest of labor nor of the Nation as a whole. It will have the directly opposite effect upon both. The reaction against it on the part of labor in days to come may well be something akin to the reaction of the corn farmer against the recent farm legislation.

This is not an opportune time even to consider it. It is ill-timed. People, especially the people of Michigan, are in no frame of mind to consider it now. They are sick and tired of the constant agitation and turmoil of the last few years, both in industry and Government. All, except apparently a few in key positions, are praying for peace and cooperation between the Government and capital and labor. Political and industrial strife and uncertainty and persecution are largely responsible for the plight the Nation is in. This legislation will make it worse. [Applause.]

There are 13,000,000 people unemployed now. The President, in his message to Congress, on February 10, stated that 3,000,000 lost their jobs in 3 months. Mr. Hopkins, in his statement before the Senate committee a few days ago, said the number had now increased to 4,000,000 This legislation will augment the number.

The question of wages and hours is a purely theoretical one as far as the 13,000,000 unemployed are concerned, and there are more of them than are employed or at work at any wage or hours at the present time in all industries which will come within the scope of this bill. The number of those employed who can, by the wildest flight of the imagination, be benefited by this legislation by having their wages increased or their hours shortened is infinitesimal as compared with this great army of unemployed.

It will be time enough to talk about wage and hour legislation when people have something to do. Let business recover and the unemployed get back to work first. It will

then be time to discuss wages and hours. Business and work must precede wages and hours. The unemployed ask for bread. By this legislation we give them a stone.

The legislation is misnamed. It should be called a face-saving rather than a wage and hour bill. Take away the face-saving feature of it and it would not be here. [Applause.]

Why is it that the people of Michigan, especially, are in no frame of mind to consider legislation of this kind now temperately? Let me call as a witness to answer that question one of the advocates of the legislation.

The United Automobile Worker, printed in Detroit, in its issue of May 14, 1938, quotes Homer Martin as saying, in a speech to the executive board of his organization, that "weekly production in the automobile industry is less than 50 percent of what it was last year," and now listen to this—I quote him verbatim:

> This falling off in production has brought with it consequent unemployment amounting to approximately 70 percent of all employees in the industry. The balance who are working are only part-time, and it is safe to say—

He continued—

> that the total pay roll of the automobile industry has fallen off nearly 80 percent.

That is one of the reasons why the people of Michigan are in no frame of mind to consider legislation of this nature at this particular time.

Think of it! The total pay roll of the great automobile industry has fallen off nearly 80 percent in less than a year. How much of that falling off is due to his work and leadership Mr. Martin does not say, but he has been in Washington in the last few days lobbying some of the Members of the Michigan delegation in Congress to vote for this bill, which will bring about a further reduction in employment.

It may be that the Federal Government can fix the wages and hours of a going concern as long as it can keep going, although there is some doubt about that among good lawyers, but there is no way for a concern to keep going if it does not have the business nor money to meet its pay roll unless the Government is prepared to furnish it the money. When its capital is exhausted it is obliged to stop and its employees are obliged to seek employment elsewhere. That is the condition of a great many businesses today.

Mr. FLETCHER. Will the gentleman yield for a brief question?

Mr. MAPES. I am sorry. I have not time to yield to my friend.

Mr. FLETCHER. The enactment of this legislation will improve conditions.

Mr. MAPES. On the contrary, it will make them worse. The enactment of this legislation will further increase unemployment, not reduce it.

It is bound to increase unemployment unless all human experience is reversed. It will put more people out of work than it will help to get work. The less efficient will be compelled to give way to the more efficient.

A news item in the Washington Post last Tuesday, May 17, speaking of the minimum-wage law for the District of Columbia, operating, as it does, in a restricted area and administered, as it is, by an administrative board, gives some indication of what may be expected if this bill is passed. I quote from the story in the Post, as follows:

> "Scores of women are losing their jobs because of adoption of minimum-wage scales in industries here," Rose Brunswick, business agent for the Hotel and Restaurant Employees' Alliance, charged yesterday. * * *
>
> Miss Brunswick said "50 waitresses have been discharged since the basic rate went into effect May 8"—that is in 1 week's time. "Many hotel maids also have been dismissed," she said. * * *
>
> The union representative said certain employers were discharging part-time employees in the public housekeeping industry, because they were unwilling to pay the prescribed 40 cents per hour for part-time work.

That news story was followed the next day by an editorial, as follows:

JOBS AND MINIMUM WAGES

Reports that minimum wages recently established in Washington have resulted in the dismissal of a substantial number of employees should be of special interest on Capitol Hill where the wage and hour bill is still under consideration.

The rates of pay for women employed in local retail establishments and in the public housekeeping industry were fixed after careful studies by groups representing employers, employees, and the public. Undoubtedly these minimum-wage conferences analyzed the conditions within each industry and made an earnest effort to protect the interests of female workers. The minimum wages they established are by no means exorbitant—ranging from $14.50 for hotel maids to $17 for retail clerks. Yet they appear to have resulted in the dismissal of a considerable number of women whose services are valued by employers at less than the minimum fixed.

Under the national wage and hour bill sponsored by the House Labor Committee there would be no careful adjustment of minimum wages to the conditions of each industry in each locality. On the contrary, a rigid minimum would be fixed for all industries affecting commerce throughout the country. And within 3 years that minimum would be considerably higher than the lowest rates established in Washington, despite the fact that in most of the States living costs are lower than they are here.

Congress ought not to ignore the very real implication in the District's experience that the wage and hour bill would cause a good deal of unemployment at a time when a staggering number of individuals are already without jobs. That measure was pressed in the House largely as a means of creating purchasing power. Insofar as it might raise wages, this reasoning is correct. But sponsors of the bill entirely overlooked the counteracting effect of dismissals likely to result from the elevation of low-bracket wages above the ability of many employers to pay.

In some industries there are large numbers of employees who are kept at work only because their inefficiency can be offset by low wages. If minimum wages are fixed with no allowance for such conditions, Congress ought to prepare for a permanent expansion of relief rolls.

A rigid national law, such as the bill before us contemplates, would multiply a hundred or a thousand fold the evils and distress caused by this law for the District of Columbia.

A law applying alike to all industries the country over, with its vast expanse of territory and its varied climatic conditions, does not appeal to me as either fair or workable. Different wages are paid by different industries in the same locality and frequently by different concerns in the same industry. Nor does the contention that it costs as much to live in a warm climate as in a cold one, or in the South as it does in the North, appeal to me. It just does not make sense. Everyone knows, instinctively, that that is not true. Rents are higher and fuel costs more in the North. Snow plows and winter overcoats are necessities in the North. They are more than useless in the South. Furthermore, everyone knows from his own personal experience, that he is more efficient and can accomplish more on a cool day than he can on a hot one. For one, I have no disposition to be a party in the passage of legislation to punish any section of the United States or to tell it how it must conduct its business and I have no thought that any such legislation, if passed, will succeed. The northern industrialist who advocates this legislation as a protection to him against southern competition may well be asked what has become of his criticism and bitterness against regimentation.

Labor is by no means united in support of this bill, any more than it was in support of the bill which was before the House in December, as is indicated by the fact that some units of the American Federation of Labor have gone on record against it in spite of the recommendation of their national officers for it.

This legislation will weaken organized labor and the cause of collective bargaining. Restore prosperity and the labor unions will take care of wages and hours, instead of a paternalistic government fixing them at a point far below a living standard. When times are good there is no trouble about wages. The minimum fixed in this bill would be ridiculous in prosperous times, when the cost of living is higher and the necessities of life are moving at a high dollar cost.

What labor wants and is entitled to is a fair division of profits, whether times are bad and wages low or whether times are good and wages are higher.

Organized and skilled labor, especially, should keep in mind that the passage of the legislation will reduce the wages of more people now employed than it will raise. Whether the minimum becomes the maximum or not, the tendency is bound to be in that direction. We are told that 96 percent of industry in the United States now pays more than the minimum fixed in the bill for the first year. Why fix a wage below what American labor receives today?

This legislation will further disturb business and postpone the time when the great mass of unemployed will be able to get jobs and back to work in private industry. It has already had its effect in that respect.

It will not do away with the chiseler. It will only enable him to cite the law in justification of his chiseling.

It will not benefit anyone in Michigan. We have no sweatshops nor child labor in Michigan.

With a world in want, it proposes to put a further limitation on production.

It will have no material effect upon the big employers of labor anywhere, such as the United States and other steel companies and the automobile industry. The burden of it will fall upon small business, which is already having all it can do to keep going. What effect will a law fixing a minimum wage of 25 cents or 40 cents per hour have on the Ford Motor Co., for example, that maintains a minimum wage of $6.00 per day? Big business, if it wants to run more than the maximum hours can do so without increasing wages or its weekly pay roll one iota, by the simple process of reducing the hourly wage for 40 hours enough to enable it to pay one and one-half for as much overtime as it cares to run. The wage and hour provision of the bill are meaningless as far as big business is concerned.

No adequate study has been made of the ultimate effect of the legislation to justify its enactment into law at this time. No one knows or has any reasonable idea how many employees it will affect or how much it will disturb our whole economic and industrial system.

Mme. Perkins, speaking over the radio a few days ago of the estimates of the Department of Labor, had this to say:

> Our calculations concerning the number of persons who would be affected by wage and hour legislation have been based upon the assumption that business activity will return to the level of the summer of 1937, and upon the minimum of 40 cents per hour and the maximum of 40 hours, which will eventually be reached under the present proposal.

Since the summer of 1937, 4,000,000 people have lost their jobs and this bill for the first year fixes a minimum wage of 25 cents per hour, not 40 cents, and a maximum workweek of 44 hours, not 40 hours. Mme. Perkins makes no attempt to estimate the number that will be affected under conditions as they exist today under the provisions of this bill for the first year providing for 25 cents per hour and a 44-hour week.

It is said that the committee substitute now before the House was drafted in the Department of Labor and that it was not considered or discussed more than 1 hour by the whole Committee on Labor of the House before it was reported out.

It should be recommitted to the committee for further study and consideration at a more opportune time.

Few men in this House have supported as much labor legislation as I have and let no man say that I am not a friend of labor or the man who works because I am not in favor of the passage of this legislation now. No one can get away with any such statement. I am a better friend of labor in opposing this legislation than are those who are advocating its passage as time will show. [Applause.]

Mrs. NORTON. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, when my colleague from Michigan, Mr. MAPES, across the aisle, undertakes to speak for the whole State of Michigan, it seems proper that one on the Democratic side should take the floor in defense of the wage and hour bill. There was a time years ago when you stood at your mother's knee and you thought something of the phrase: "Do unto others as you would have them do unto you." It has been amply said here this afternoon that this legislation will provide a minimum of $2.75 a week for each member (four in a family) on which to subsist. Yes, $11 a week is the minimum-wage provision set in the proposed legislation, yet my colleague says "the people of Michigan are sick of it." I cannot let that statement go unchallenged, for I, too, represent some of the people of Michigan, and while to many in my district the passage of this legislation will mean nothing personally to them, nevertheless I feel that from a broad point of view they, too, still remember and believe: "Do unto others as you would have them do unto you."

My colleague refers to the bill as "theoretical." Yes, theoretical; except to those suffering without its provisions. I differ with his statement as to labor's position on the bill, for it is my distinct understanding the two major labor organizations have approved the measure. As to his reference to the "chiselers" I bid him regard his words as a consolation to them as compared to my vote.

Mr. Chairman, when the wage and hour bill was pending before the House during the last session I put in the RECORD a statement showing how many automobiles were bought in States where the wages are low. I also placed in the RECORD a statement showing the amount of material bought by automobile companies from those same States. There is no ratio at all between the two purchases. The purchases made by the automobile people are far greater than those made by the buyers of its product in the low-pay wage States. Therefore an injustice is done to many in the industry—the owners of the industry, the workers in the industry, and, indirectly—because of State relationship—to the Nation itself.

Mr. Chairman, there can be no argument about this bill. It is a bill that needs the downright, sound attention of a nation and it needs it now. There is nothing to the gentleman's statement "this is not the opportune time." In legislative bodies you have had that argument for years, and you will continue to have it until the rocks, worn with age, crash at Niagara Falls. [Applause.]

[Here the gavel fell.]

Mr. WELCH. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. SAUTHOFF].

Mr. SAUTHOFF. Mr. Chairman, I am in favor of the wage and hour bill and shall support it even though some of the amendments that I hope will be adopted are not favorably received. I am in favor of the Coffee and Biermann amendments and trust that they will be adopted. In addition to the ills which these amendments seek to remedy, I find another weakness in the bill which I desire to call to the attention of the Committee.

As I listened to the arguments of those opposed to this bill—unemployment, the "little fellow," and the threat that the minimum wage will become the maximum wage—my mind went back some 25 years to similar arguments advanced in my own State of Wisconsin when we passed the Workmen's Compensation Act and the Minimum Wage Act. None of the dire prophecies uttered at that time came to pass. In fact, my State can challenge comparison with any State in the Union on labor matters.

I was also reminded of the fact that a few days ago, when the legislative expense appropriation bill was up, I offered an amendment that instead of 20 cents per mile each Member be paid only his actual expenses. On that amendment I received only a handful of votes. Imagine my surprise when I see some of the gentlemen who voted against my mileage reduction now taking the floor and vigorously opposing the proposal to give $11 for a week's wages. Plenty for themselves, but a pittance for the underpaid.

Section 6, on page 53 of the bill, empowers the Secretary of Labor to issue an order declaring what industries affect interstate commerce. Such order shall take effect not more

than 4 months after it is issued. Now let us examine the practical application of such a procedure. It will take the Secretary 4 months, if not 6 months, to make out a list of industries affected by this bill. Any industry feeling itself aggrieved may, of course, ask for a hearing, and after such hearing is heard, and the decision is adverse to the industry, it may go into the courts and may by various legal processes delay the full operation of the wage and hour bill in that industry for a year or two.

In order to prevent such a defeat of the objects and purposes of this legislation, it is my suggestion that the bill apply to all industries engaged in interstate commerce, as set forth in section 6. It might be advisable to set up a percentage basis because we would not want to define interstate commerce as applying to the weekly newspaper, which sends perhaps only 5 percent of its product across State lines. If we had such a provision there would be no delay whatever and the law would be applicable as soon as it was signed by the President. This would do away with the delay now set up in section 6.

In addition to the foregoing, I have one other recommendation which pertains to the evil of dragging out these cases through a long, legal procedure. In low-wage industries the pay-roll turn-over is very large. Many of these transient employees have not sufficient money to maintain themselves while litigation is in progress. Lay-offs are frequent and naturally this shifting population goes from place to place wherever a job is obtainable. As a result, when the litigation is finally disposed of, even though it is adverse to the industry in question, nevertheless it avoids proper payment to many of these employees because they have drifted away and their addresses are not furnished. Therefore, I suggest that as a condition precedent to the right to hold up any wage payments under this act, the industry taking the appeal be required to pay into court, weekly sums sufficient to take care of its employees adversely affected. This will guarantee some measure of security to the employee and also will point out quite forcibly to the employer that he cannot side-step his duty to society by resorting to a legal subterfuge. Of course, I appreciate that there are industries that will have a proper legal claim to be exempt from the provisions of the law and that no hardship should be imposed upon them, but I am satisfied that the court will properly impound these funds and in the event that the industry is successful in its action, the money will be returned intact to the proper officer of such industry, and as a result no honest employer with a sound legal claim will suffer any damage; while on the other hand, the industrial sharpshooter and chiseler will be balked in his efforts to cheat his employees out of their rights. [Applause.]

Mrs. NORTON. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. GILDEA].

Mr. GILDEA. Mr. Chairman, it is my understanding that tomorrow when this bill is read under the 5-minute rule, the gentleman from Georgia [Mr. RAMSPECK], who is chairman of our Labor Subcommittee, will offer an amendment substituting for this bill the subcommittee bill. I am hopeful the members of this committee will give serious consideration to Mr. RAMSPECK's substitute bill.

A determined effort will be made to stop all amendments. That is the announced program and apparently the bill will go through as scheduled.

I said before the Committee on Rules and before the Committee on Labor, when we put enforcement in the hands of the Department of Justice we are doing something that to my mind is contrary to all labor efforts down through the years. Labor has always fought injunctions. Enforcement by the Department of Justice of all provisions of this bill may turn out to be legislative injunction. It has been my contention that with enforcement of the wage-hour bill in the hands of the Department of Justice, a labor organizer going into unfriendly territory will be told, "Get out or go to jail." Labor organizers will be told "we have no need for labor organizers—we have Federal law governing the hours to be worked and the rate to be paid."

By unfriendly territory I do not infer the Mason and Dixon's line to be the equator between friendly and unfriendly. Pennsylvania has had its Hershey, New Jersey is still afflicted with Hagueism, and Florida just this last week put three labor organizers—a woman and two men—in jail for no other offense than because they sought to add 1 cent per box to the 4 cents workers were being paid to pack tomatoes.

It seems unbelievable but I want to read into the RECORD the instance as recorded in the current issue of Labor—official organ of 15 recognized standard railroad labor organizations. In the issue of Thursday, May 24, 1938, we find under a two column front page head this article:

YEAR JAIL SENTENCE PENALTY FOR ORGANIZING IN FLORIDA—ATTEMPT TO ADD A PENNY TO WAGES OF LOW-PAID WORKERS CALLED CONSPIRACY BY COUNTY JUDGE; TESTIMONY OF EMPLOYER JUSTIFICATION FOR HARSH SENTENCE

BRADENTON, FLA., May 19.—It's a crime, punishable by a year's imprisonment at hard labor, for trying to unionize low-paid workers in this vicinity.

County Judge Sam J. Murphy has just imposed that sentence on three workers—a woman and two men—who were leaders in a newly organized A. F. of L. local union for agricultural workers. They were arrested when they began a movement to secure an increase of 1 cent a box on the 4 cents workers were being paid for packing tomatoes.

The original charge against them was "conspiracy to organize." This was changed to "conspiracy to prevent divers persons from going to work," after local authorities had been reminded that the Wagner-Connery labor-relations law guarantees the right of organization to all workers.

Virtually the only evidence against the union leaders was the testimony of an employer that the trio were "leaders in agitation" for the 1-cent pay raise, and that a woman employee had been made nervous when approached to sign a petition for the increase.

Pending the outcome of habeas corpus proceedings, the three defendants are held in jail in default of $350 bail each.

Mr. Chairman, in asking support for the Ramspeck amendment, I do not base the request solely on objections to Department of Justice enforcement. In my estimation the setting up of a commission or five-man board to have complete jurisdiction over the whole problem of wages and hours, to establish rates on the value of service rendered, to regulate hours with a view to the economic problems involved—these are the paramount questions at issue. They will not be solved by an inflexible act of Congress, and we must not delude ourselves into believing that passage of this bill will automatically settle controversies that have disturbed this country since industry took over the regulation of our national living conditions.

Forty-four hours per week at 25 cents per hour will give a weekly wage rate of $11 per week to full-time workers coming within provisions of the bill.

A Pennsylvania survey of over 170,000 cases of direct-relief grants in July 1936 showed that more than 29 percent of the cases were receiving grants-in-aid of wages. A large proportion of these workers had full-time employment. Average full-time earnings amounted to less than $11 a week in more than half the cases, while over 10 percent of the cases had full-time earnings of less than $7 a week.

To aid the submerged wage group by setting a minimum standard of wages, to spread employment by establishing maximum hours beyond which industry cannot work its employees, to eliminate for all time child labor—these are the purposes of the pending bill. My vote will be recorded in favor of its passage.

Believing its administrative features to be almost as important as the bill itself, I intend voting for the Ramspeck substitute, and I am hopeful when that amendment is offered the North will forget all sectionalism and support a sincere effort on the part of a most distinguished Member of the House, the gentleman from Georgia, who is determined to write the best bill that can be written for all sections of the country. Tomorrow I hope all true friends of wage-hour legislation will prove their friendship by supporting the Ramspeck amendment.

Mrs. NORTON. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. MEAD].

Mr. WELCH. Mr. Chairman, I yield 5 minutes to the gentleman from New York.

Mr. MEAD. Mr. Chairman, I should like a larger allotment of time to discuss the fundamental and underlying question at issue today. However, in the brief time allotted to me, I wish to express the thought that I believe every Member of Congress can vote for this bill, feeling deep down in his heart that if he does so it will result in an improved economy throughout the country as well as in his own district. The Nation's economy is like the anatomy of the individual. If it is sick in one of its various essential organs, it is sick all over. If a part of the body of an individual is weak or suffering, that individual is suffering all over. Therefore, in view of the fact that this country of ours is suffering from a widespread epidemic of unemployment, any attack upon that evil is bound to result in much good not only to the sections that may be suffering most but to the entire United States.

It is difficult for many men whose economic education takes root away back in the crude tool period of insufficiency and whose philosophy is grounded in the philosophy of the rugged individualist to understand the need for such a bill as this. In that early period of our country's existence it was difficult for mechanics and workingmen to produce with crude tools sufficient to give all the people of the United States the necessities of life, but such a man does not realize, unfortunately for him and for our economy, that we are living in an age of abundance, that the distribution of our devastating surpluses is the crying need of the hour, and that these destructive surpluses, such as cotton and wheat, can be distributed only when the country is free from the economic paralysis that exists in industry today. If my State of New York is prosperous, it is because it is the best market on earth for the cotton of the South and the wheat of the West, and if the great cotton-growing States of the South and the wheat-producing areas of the West are enjoying prosperity, then the businesses of the industrial sections of the country will likewise enjoy a wholesome economy. In the crude-tool period of our Government's history there may have been some justification for long hours and low wages, because under those conditions a meager sufficiency of essentials could have been produced for distribution among the people of the country.

As this is but a minimum-wage and a maximum-hour bill, differentials are not a consideration.

Differentials will exist due to demands for labor, due to the effectiveness of labor organizations, and for other causes.

However, in a modest proposal such as this, a wage differential as well as an administrative board are not required.

Today, due to the operation of the uncanny machines that engage in the production of articles, long hours and low wages cannot be justified, because we have a surplus of every known and essential commodity. We could feed and clothe 200,000,000 people, and the fact that millions of our people are unable to buy when we have everything to distribute is the shame of the age and must be corrected by legislation such as that which is now before us. [Applause.]

Mrs. NORTON. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio [Mr. DIXON].

Mr. DIXON. Mr. Chairman, as I stand before you today I can say that I attended all of the hearings before this committee with our good pal, Billy Connery, who has passed away, and his successor as chairman of the Labor Committee, Mrs. NORTON.

Something has been said here about Mme. Perkins and reference has been made to her being a lady. I want to tell you that if it had not been for that grand lady who is chairman of this Labor Committee I am fearful we would not have a labor bill before us here today. [Applause.] Her trials and tribulations have been something terrible. You have received letters from your district, but I want to tell you that you have not received anything like the letters she has received. She has steadfastly held to her job and has brought this bill before you today.

Mr. Chairman, it is a sad story when we think of the South and the East and the North and the West being in some kind of a controversy here. When we were having our meetings the North was there, the South was there, the East was there, and the West was there. There was no one who made application to come before the committee who was not heard. We did everything we could possibly do, and I can tell you now that the gentlewoman from New Jersey, the chairman of our committee, deserves the congratulations of the poor people throughout the length and breadth of our land whom we are trying to help, because it has been with her help that we have been able to bring this measure to you.

So I am anxious that you be very careful because there are going to be some damnable amendments offered here today, and if you permit those amendments to be put on this bill you are going to be responsible for allowing it to be killed the same as they killed it before. So be on your guard. If an amendment is something that you think is going to be for your district, but is going to hurt the bill, be a man and vote it down. [Applause.]

Mr. WELCH. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. FISH.]

Mr. FISH. Mr. Chairman, this is a fair, a just, and a humane proposal. [Applause.] I do not care what the attitude of the President is, it is the duty of Congress to legislate and it is the duty of the President to carry out the laws enacted by Congress. I have heard it claimed that this was the President's bill. That is not an accurate statement. This bill was sponsored by the American Federation of Labor and was opposed by President Roosevelt. The President sponsored the original bill setting up a commission that was defeated in the House. In speaking in opposition to that bill, the original wage and hour bill, on February 6, 1938, over the radio, I stated:

> I hold the President strictly responsible for blocking wage and hour legislation by law and insisting that the Congress create more bureaucracy and virtually turn the entire control of labor and industry over to the Chief Executive through his appointees. Both labor and industry are opposed to such control and regimentation. If President Roosevelt will withdraw his demand for a board or commission to control hours and wages, the Congress could put through, without further delay, legislation establishing minimum wages and maximum hours by law, as advocated by the American Federation of Labor. Failure to enact that type of legislation rests squarely with the President and not with the Congress, which is ready to legislate.

I made this statement over 3 months ago. It was an accurate statement at that time and it is still an accurate statement, and yet there are those who are trying for partisan reasons to give the President credit for this bill. This ought to be a nonpartisan measure. It is a humanitarian proposal. It crosses all party lines. By no stretch of imagination or New Deal propaganda can the President claim authorship of the present uniform wage and hour bill. Although President Roosevelt has been acclaimed as being friendly to labor, I believe he is solely responsible for the present depression through his economic fallacies which have destroyed business confidence and caused tragic unemployment and destitution among 13,000,000 American wage earners, and that he has done more harm to both labor and the country than any other President in our history.

However, that is not the issue. The issue before the Congress is whether you are or are not in favor of the new wage and hour bill. The present bill, as written, sets up a uniform standard of hours and wages throughout the Nation, by law and not by bureaucracy.

We must not forget that this is exactly the bill that a few months ago was turned down when it was offered as a substitute for the Roosevelt commission bill, and I reiterate that those of us who opposed the commission bill then will continue to oppose it in whatever form it may be brought up. We opposed it on the fundamental grounds that we are against any further regimentation, further bureaucracy, further centralization and control over industry and labor. We are opposed to giving the President any additional power to control through Executive orders either business or labor.

As far as the Republican side of the House is concerned, we are ready and willing to take back some of the powers that have been already conferred upon the Chief Executive by the Congress and thereby restore representative government as soon as possible. There is a misunderstanding back home, not in the Congress, but among the people, who still think that this bill sets up a commission. It does no such thing. The original bill would have established a commission and created a superbureaucracy by giving it a strangle hold over labor and industry. It concentrated more power in the hands of the President and would have set up additional New Deal regimentation by bureaucratic edicts and administrative agents.

Under the new bill wages begin at a minimum of 25 cents an hour and go up to 40 cents over a period of 3 years. The same thing is true in regard to the hours of labor, the hours beginning at 44 and going down to 40 in 3 years' time. It sets up certain definite standards throughout the country by way of uniform law and uniform legislation and I do not know any bill in many years that I have supported in this House to which I have given my support with more real satisfaction, more genuine conviction, and more absolute appreciation of the justice of the proposal and that I am doing the right thing, not only by my constituents, but by all the American people, labor and industry alike. I realize that in the South they have different problems and that they know their problems there far better than we know them in the North, but I cannot understand how anybody from the North, whether he be Democrat or Republican, can oppose this bill, establishing minimum wages of $12 a week and maximum hours of 44 hours, going down to 40 hours in 3 years, and going up in wages to $16 a week in the same period. The gentleman from New York [Mr. MEAD], who has been a champion of labor for many years in the House, very properly said that we are a great and rich country.

I believe that this is the greatest country in the world, and that if any country is worth living in it is the United States of America, but it must be worth living in for all of our people, not for just a few of us or for you and me who have $10,000 salaries as Members of Congress. Speaking for myself, I have never known want, I have never gone without food, I have never had to struggle for a home or shelter and clothes, but there are two or three million American citizens who are just as good as you and I who today are not getting the necessities of life and who are working for starvation wages at long hours, destructive of both their happiness and health. I say to this House that if you desire to combat communism and radicalism, then you should support this kind of humanitarian legislation providing a square deal and social and industrial justice for the two or three million wage earners who are not getting a square deal today. This bill seeks to put an end to sweatshop wages and hours and to intolerable labor conditions in certain factories, mills, and mines doing interstate business where employees are working long hours and getting starvation wages. I do not propose by my vote to condemn these two or three million industrious and loyal American citizens to a continuation of poverty, squalor, destitution, undernourishment, and long hours. We have by this bill a chance to strike a blow for social and industrial justice and a square deal for labor in America, and I hope it will be done regardless of party lines, and regardless of sectional lines. I say to you people from the South, this is not an agricultural bill. This bill only affects interstate commerce, and the wage earners in factories, mills, and mines. The South will be much better off when you pay a minimum wage of $16 to your wage earners in your mills and factories. This is not sectional legislation. Every State in the Union today is accustomed to free trade among the States, but how can you continue to have free trade if some of the States pay wages of less than $12 a week and others have humane standards of wages. If you people in the South will not put your house in order by establishing minimum standards of wages and maximum hours for interstate commerce then we in Congress propose to legislate in this bill and give you 3 years in which to put your economic house in order.

There is one thing that I want to call to the attention of the Democratic side of the House and I know that it will not be palatable. I believe this bill will be enacted into law almost as it passes the House of Representatives, not as the gentleman from Texas [Mr. DIES] said. I do not believe it will be rewritten and patched up in the Senate.

This bill is fair, equitable, and just, and I believe it will pass the Senate by the same majority that it passes the House, but once the bill is enacted into law you on the Democratic side will have to follow it up with adequate tariff protection. You cannot permit the low-priced and cheap-labor goods of Europe and Asia to be dumped into the American markets to take the jobs of those American wage earners who are now being poorly paid, who will continue to be poorly paid even under this bill. You cannot crucify honest and industrious, patriotic and loyal American labor on a cross made by the cheap, sweated labor of Europe and Asia, out of the cheap and sweated commodities of Europe and Asia. Our American wage earners must have adequate and proper protection against these low-priced goods that will be dumped into America once this bill goes into effect. Let me, on the other hand, call attention to those friends of labor who may seek to increase this bill to 40 cents an hour and 40 hours a week immediately, that if they bring in that kind of an amendment to this compromise American Federation of Labor bill, they will be doing a disservice to labor, and the friends of labor in this House should vote such amendments down. Anyone who introduces that type of amendment under the circumstances is doing so only for home consumption and for his own political advancement and against the interests of labor. I hope all such amendments will be voted down and that all the friends of labor who want to provide a square deal for our wage earners and for social and industrial justice will vote for the passage of the Norton wage and hour bill setting up a uniform standard of wages and hours throughout the Nation. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mrs. NORTON. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Chairman, there are reforms in legislation which come about quickly and there are those which come about slowly as the mills of the Congress grind year in and year out here at the Nation's Capital. Certainly here is a reform from the standpoint of humanitarian legislation which is long overdue by direct action of the Congress of the United States in attempting to fix wages which are right and hours which are right, and working conditions which are right for the masses of those who are underprivileged in industry in this country.

Stripped of all its technical verbiage; stripped of all its coloring, this proposal brought to the floor by the House Committee on Labor simply defines oppressive child labor and substandard labor conditions. What does this measure that we are considering today propose? It simply proposes that we forbid the employment of children under 16 in industry and there is regulation for those between the ages of 16 and 18 in hazardous industry and enterprise. We attempt a fair and just regulatory provision to take care of that group. It also prohibits the payment of less than 25 cents an hour in the first year, 30 cents an hour in the second year, 35 cents an hour in the third year, and 40 cents an hour as it goes into operation thereafter. In the next place it prohibits employment for more than 44 hours a week in the first year, 42 hours in the second, and 40 hours thereafter. Lastly, it provides for simply the enforcement of the provisions of this measure through the Federal courts of the country.

When the wage and hour bill was before us last December there were those Members who stood on this floor and opposed its provisions because they said it was a further delegation of authority and that it made for added

bureaucracy and that it provided for the seizure of factory records and the policing of factory premises. Those who opposed the legislative proposal on that score, when it was being considered here before, cannot in all justice to the pending measure oppose it for those reasons now. Certainly the Congress of the United States, acting upon a bill which brings the issue clearly before us, cannot base its opposition to this measure upon the charges of bureaucracy, delegation of power, and unfair seizure which was written according to the opponents of the other bill into the previous measure which was recommitted to the House Committee on Labor.

I say to the Members this afternoon that certainly we, as legislators, not only for the districts we represent but as legislators for the Republic at large, cannot fail longer in our obligation to the millions of men and women—and remember a large percentage are women—who are laboring today under sweatshop conditions not alone in the Southern States but in the North, East, and in the West as well. We certainly, as Members of Congress, will not allow this opportunity to go by without saying by our voices and our votes that the intolerable conditions existing in industry today shall be wiped out regardless of any sectional issue which is raised upon this important matter. [Applause.]

Passage of this measure will bring about no dislocation of business and industry. The minimum-pay scale starts at the very low figure of $11 a week for the first year, $12.60 for the second year, $14 for the third year, and $16 thereafter. Those industrialists who desire to pay decent wages must not continue to be subjected to unfair competition brought on by sweatshop conditions with substandard pay.

The editor of the Charleston (W. Va.) Gazette has well said in an editorial of a few days ago that—

> No lasting prosperity, no real sound economic system can be built upon the foundation of low wages. To restrict sharply the wages of those who are your customers is silly on the face of it. Cheap wages never have brought real prosperity and they never will.

The present administration has an obligation to bring about enactment of a wage and hour bill. It is gratifying for me, as a member of the Labor Committee of the House, to find today the membership of this body, regardless of party or section, joining forces to write into the law of the land this badly needed social and humanitarian legislation. [Applause.]

Mrs. NORTON. Mr. Chairman, I yield 1 minute to the gentleman from New Mexico [Mr. DEMPSEY].

Mr. WELCH. Mr. Chairman, I yield 2 minutes to the gentleman from New Mexico [Mr. DEMPSEY].

The CHAIRMAN. The gentleman from New Mexico [Mr. DEMPSEY] is recognized for 3 minutes.

Mr. DEMPSEY. Mr. Chairman, I am certain there is not a Member of this House who thinks that 25 cents an hour is too high a wage for any industry. I believe also that, in view of the unemployment situation as it exists today, 44 hours a week is certainly sufficiently long to work any employee.

The bill we are now considering can be a great boon to the country or it can work a great injury to the Nation, depending entirely upon the manner in which it is administered. No matter what we write into this bill, if improperly administered, it will be a failure. The great fear I have heard expressed does not exist with persons or concerns engaged in interstate commerce but is felt by small business concerns who feel that they are going to come within the provisions of the bill, when, as a matter of fact, I find on accurate information from the committee they will not be affected at all. The owners of small business houses are not afraid of the wage provisions, not afraid of the hour limitations, but they are afraid of the tremendous amount and prohibitive cost of the bookkeeping and records involved—matters with which they are unfamiliar.

That is what really is feared. I have taken this time, not to make a speech on the bill but to ask the chairman of the Committee on Labor, who is thoroughly informed on the measure, one or two questions with reference to how it will affect local people and concerns or those engaged purely in intrastate business. May I ask the gentlewoman from New Jersey whether by the wildest stretch of the imagination, or regardless of any possible administrative interpretations, this bill can in any way affect such business as that of the local groceryman, druggist, clothing store, meat dealer—any merchant, in fact—laundry, hospital, hotel, or even transportation companies operating solely within a State?

Mrs. NORTON. Absolutely not.

Mr. DEMPSEY. Insofar as I am concerned, that satisfies most of the complaints I have received about this proposed legislation. I think the fear arises from a misunderstanding of the bill rather than from the bill itself.

Mr. COFFEE of Nebraska. Will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from Nebraska.

Mr. COFFEE of Nebraska. I have been unable to get time. The gentleman is familiar with the Grange amendment. Does the gentleman not feel that is quite essential to perfect this bill for the protection of agriculture and livestock producers?

Mr. DEMPSEY. I do; and I voted for the Grange amendment when the bill was last considered.

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. RAMSPECK].

Mr. RAMSPECK. Mr. Chairman, I would like to make it plain at the outset that my position in opposition to the committee substitute does not mean that I am advocating a differential between the North and South. As a matter of fact, in committee I declined to support a bill drafted by representatives of the administration which would have arbitrarily written into the law a differential in favor of the South. I would not vote for such legislation and I am at a loss to understand how anybody can justify an arbitrary differential based solely on a line drawn across the country. When the bill comes to the amendment stage I expect to offer as a substitute the bill H. R. 10538, which was drafted by a subcommittee of the Committee on Labor of which I had the privilege of being chairman. I am not going to attempt in the short time I have available at this time to go into a discussion of the details of that proposal. Suffice it to say that in substance it follows the line of procedure adopted by the Senate bill, which was the line of procedure adopted by the House committee last August when on August 6 it reported a bill substantially like the one I expect to propose here tomorrow.

Mr. Chairman, I contend that the present proposal is not in accordance with the request made by the President of the United States in his message to Congress dated May 24, 1937. In that message the President stated very plainly that we could not expect by one fell swoop to bring into line the low-wage conditions existing in some sections of the country with the higher-wage conditions in other sections of the country. He asked for a flexible procedure by which those things could gradually be brought together. That is the procedure followed in the subcommittee bill which I expect to offer tomorrow.

In addition, may I call the attention of the committee to the fact that with the exception of the general counsel of the American Federation of Labor no lawyer who has discussed this matter before the Labor Committee has contended that a single wage standard, such as this proposal contains, is constitutional. The present Solicitor General, Mr. Jackson, in testifying during the joint hearings before the Senate and House committees last May or June stated most positively in response to a question asked by the gentleman from Illinois [Mr. KELLER], that he doubted the constitutional power of Congress to fix a single rigid wage provision or a single hours' limitation. You will find that statement on page 1969 of the RECORD of December 14, 1937, when this bill was considered before.

You will also find in the RECORD of that day the legal brief submitted by Mr. Jackson, which discusses in detail the legal

questions involved in this proposal. We had before the subcommittee the Solicitor of the Department of Labor, Mr. Gerard Reilly, who filed a brief with that subcommittee. The substance of his opinion was that the only possible way to handle this question was by providing a delegation of power to some governmental agency. He questioned also the possibility of Congress fixing a single wage standard applicable to all industry in the various States of the Union.

We also had before the subcommittee Mr. Benjamin Cohen, a lawyer of some note, who is one of the employees of the Federal Government and is considered to be one of the most expert draftsmen in the present administration. Mr. Cohen stated in substance the same thing that Mr. Jackson and Mr. Reilly stated; that is, it was questionable whether the Congress had the power to establish a single minimum wage and a single hour's limitation. It is true that all of these lawyers stated—and it is the fact, of course, that we have no legal precedent for the establishment of wage and hour legislation by Congress. No such law has ever been attempted before, and therefore none of us can say with definiteness what the Supreme Court may do in regard to this act.

It is true, however, that we do have precedent for this type of legislation on the part of the States and in every case where there is a State law in operation the law itself does not prescribe the wages to be paid nor the hours to be worked. This power is delegated to a commission or a board under standards laid down in the act.

May I call attention to the fact that under this State-law procedure in every case that I have been able to find out anything about the results different wage scales have been prescribed for the same occupation in the same industry in the different sections of the States involved. We find also that different wage scales have been prescribed for different occupations in different industries in the same communities. It seems to me, therefore, that the experience we have with State laws, they being the only laws in existence in this country, demonstrates that we ought to pause before we adopt a rigid inflexible provision such as is contained in the present proposal.

I call your attention to the fact that in the State of New York the conditions which I have just described have resulted from the law in operation in that State, as they have in the District of Columbia from the statute which was revived last year by the Supreme Court decision in the Washington State minimum-wage law case. We find in the District of Columbia that the wage scale set was from $13.50 to $18 per week, and these wages vary according to occupations and industries. In no case has any State, as far as I have been able to find out, attempted to put into effect a single minimum-wage standard.

May I also call attention to the fact that under the Walsh-Healey Act the Secretary of Labor has fixed variations in wage scales in accordance with the authority contained in that law.

The British Government for nearly 30 years has operated under statutes providing for the imposition of minimum wages and maximum hours, and in those cases, with the vast experience of our neighbors across the water, we find they follow the technique prescribed by the Senate bill and prescribed by the substitute which I expect to offer tomorrow. In no case has the British Government attempted to fix a single wage standard for the various industries in that great country.

May I call your attention to the fact that there are varying wage scales in existence in this country. For instance, in the city of New York you will find in the five counties composing Greater New York different wage scales in existence for the same occupation in the same industry. We find differences between New York City and the smaller communities in other sections of that State. We find variations in the rentals in the different communities of the country. The Bureau of Labor Statistics of the Department of Labor states that in cities of 5,000 population and less the average wage earner making less than $1,000 a year pays on the average $11 per month for housing facilities. The same wage earner making the same amount of money in the cities of New York, Boston, Philadelphia, Chicago, and Detroit, pays on the average $23 per month for the same type of housing. It therefore follows that if you limit the wage earner in those large cities to the same figure you give in the smaller communities, the wage earner in the smaller community has a definite advantage in real wages, and we are not bringing about equality but are simply shifting the burden from one section of the country to another.

I have before me a tabulation of rents paid in various sections of the country and I wish to use one illustration to show how rents vary in different communities in the same section of the country. A wage earner in Columbia, S. C., making less than $1,000 a year, pays on the average $12.60 a month for housing. In Gastonia, N. C., about 100 miles away, but in the same general section of the country, a similar wage earner making the same amount of money gets the same housing for $7.40 per month, on the average. It is my contention that we cannot afford to disregard the practical fact that differing conditions exist in various sections of the country, and that it is impracticable to apply a rigid wage and hour provision to the whole country.

In the subcommittee bill we fix a bottom to the minimum wage which we call the weighted average wage. I should like to call your attention to the method prescribed there and how it will operate. For instance, if we have 50,000 employees in the textile industry engaged as spinners and 5,000 of them get $8 a week, 25,000 of them $12, and $20,000 of them $14 a week, the weighted average for the 50,000 employees would be $12.40 per week, which would result in a higher minimum to start with than would be the result under the present proposal of the Committee on Labor.

The way you arrive at the weighted average is to take the number having the same occupation in a given industry and multiply the number getting each wage by the wage received, and then divide the total that you get by the total number of employees in that occupation. It is my candid judgment that under the subcommittee bill I shall offer tomorrow, H. R. 10538, you would get a higher starting wage than you would under the present proposal of the Committee on Labor.

May I call your attention to the fact that last August, when the House Committee on Labor reported a provision similar to the one I am going to offer tomorrow, that bill was endorsed by both factions of labor in this country. I have in my hand, although I will not take the time to read it now, a letter signed by William Green, president of the American Federation of Labor, substantiating that statement under date of August 9, 1937. I will place that letter in the RECORD.

In addition, I have a letter dated August 4, 1937, expressing the appreciation of Mr. Green for my personal consideration of the amendments he offered to the committee and which the committee accepted.

Further, I am going to ask permission to place in the RECORD the minority report which I filed on this measure.

In conclusion, may I call the attention of the Committee to the fact that we are faced in this proposal with a problem which is more complex, in my judgment, than the fixing of freight rates by the Interstate Commerce Commission. It is my honest and sincere opinion that if we are to pass a wage and hour bill which has any hope of being successful it must be a bill which delegates authority to an independent board which can take into consideration all of the varying factors existing in the various industries and in the various sections of this country. This board must have the power, after consideration of those factors industry by industry, to fix a fair wage, one which can be paid by the employer and one which will give justice and eliminate unfair competition. [Applause.]

In his message of May 24, 1937, on wage and hour legislation, among other things, the President said:

> These rudimentary standards will of necessity at the start fall far short of the ideal. Even in the treatment of national problems there are geographical and industrial diversities which practical

statesmanship cannot wholly ignore. Backward labor conditions and relatively progressive labor conditions cannot be completely assimilated and made uniform at one fell swoop without creating economic dislocations.

With the establishment of these rudimentary standards as a base we must seek to build up, through appropriate administrative machinery, minimum wage standards of fairness and reasonableness, industry by industry, having due regard to local and geographical diversities and to the effect of unfair labor conditions upon competition in interstate trade and upon the maintenance of industrial peace.

During the hearings on the subject, the following colloquy took place between Mr. Robert H. Jackson and the gentleman from Illinois [Mr. KELLER]:

Representative KELLER. It would require very considerable time, would it not, for this Board to set the different minimums for the various divisions of our industries?

Mr. JACKSON. I suppose it would take some time. I would not know just what time it would take, but it would take time, of course.

Representative KELLER. Why not set some such minimum wage in this bill which would act as a minimum until a fair minimum wage could be established by the Board?

Mr. JACKSON. Well, if you did that you would run the risk of setting a minimum which would be in some particular case a great hardship, and of having your right to fix a minimum tested in the courts under its most unfavorable aspect as a violation of due process.

In the brief Mr. Jackson filed with the committee, among other things, were the following statements:

As President Roosevelt has stated, "Even in the treatment of national problems there are geographical and industrial diversities which practical statesmanship cannot wholly ignore." Portions of the bill relating to wages and hours would become operative as and when the Board created by the act orders their application. This bill does not plunge the Nation headlong into a rigid and widespread policy of regulating wages and hours. It permits the building up a body of experience and prevents the extension of regulation faster than capacity properly to administer is acquired. The investigations of the Board will also provide the evidence and the findings upon which the Government can rest its argument if the constitutionality of the act is assailed.

* * * * * * *

Due process is defined in respect of both Federal and State legislation in *Nebbia* v. *New York* (291 U. S. 502, 525):

"The fifth amendment, in the field of Federal activity, and the fourteenth, as respects State action, do not prohibit governmental regulation for the public welfare. They merely condition the exertion of the admitted power by securing that the end shall be accomplished by methods consistent with due process. And the guaranty of due process, as has often been held, demands only that the law shall not be unreasonable, arbitrary, or capricious, and that the means selected shall have a real and substantial relation to the object sought to be attained. It results that a regulation valid for one sort of business may be invalid for another sort, or for the same business under other circumstances, because the reasonableness of each regulation depends upon the relevant facts."

If regulation may be dependent on "relevant facts" there can be no objection to delegating power to an administrative or quasi-judicial board to investigate, hear evidence, and decide those facts.

The following was submitted to the subcommittee:

BRIEF SUBMITTED BY MR. GERARD REILLY, SOLICITOR OF THE LABOR DEPARTMENT, MARCH 8, 1938

You have asked my opinion as to whether there is any authority for the view that Congress may validly enact a bill providing for a uniform minimum wage of 40 cents an hour throughout the country.

After examination of the authorities I have been unable to find any decision or constitutional law sustaining this view. Moreover, the decisions in the field of minimum wages and minimum prices create serious doubt as to whether such an enactment would be upheld in the light of the present state of the authorities.

While it may be assumed in the light of *N. L. R. B.* v. *Jones & Laughlin* (301 U. S. 1) that Congress has the power under the commerce clause to enact labor legislation with respect to factory employments affecting interstate commerce, it must be remembered that the exercise of this power is limited by the "due process" clause of the fifth amendment. This results in the same restriction upon the power of the Federal Government that the "due process" clause in the fourteenth amendment imposes upon the States.

For years the Supreme Court held that legislation providing for minimum wages or minimum prices in private industries (not publicly owned or "affected with a public interest") violated "due process" by interfering with liberty of contract. Recently the Supreme Court in two decisions which must be regarded as establishing new outposts in the permissible area of industrial regulation conceded the validity of statutes regulating price fixing (*Nebbia* v. *N. Y.*, 291 U. S. 502) and wage fixing (*Parrish* v. *West Coast Hotel*, 300 U. S. 379).

On each occasion, a divided court by the narrow margin of a 5-to-4 vote, while recognizing the general doctrine against impairment of liberty of contract, found that whatever infringement upon this right had taken place was justified by consideration of health, the preservation of life, or the protection of a business essential to the economic vitality of the State.

In other words, the Supreme Court has not as yet conceded plenary power to Congress or State legislatures to enter the field of price or wage regulation.

It should be emphasized that the statutes upheld in these two cases did not propose to fix price or wage rates in the provisions of the statute, but the power of so doing was delegated to fact-finding agencies which under the terms of these statutes were directed to establish varying prices and wage rates in accordance with the guides and standards set forth in the laws.

In the Nebbia case the Court said that its function in the application of the fifth and fourteenth amendments was to determine in each case whether circumstances vindicate the challenged regulation as a reasonable exertion of governmental authority or condemn it as arbitrary or discriminatory, "And the guaranty of due process as has been often been held, demands only that the law shall not be unreasonable, arbitrary, or capricious, and that the means selected shall have a real and substantial relation to the objects sought to be obtained. It results that a regulation valid for one sort of business, or in given circumstances, may be invalid for another sort, or for the same business under other circumstances, because the reasonableness of each regulation depends upon relevant facts" (p. 525).

Assuming that Congress passed an act fixing a single inflexible minimum-wage rate and a maximum workweek, upon what "relevant facts" could they be sustained when applied to the various localities, industries, and classes of workers of the United States? It would seem that most factors, such as "cost of living" or "value of services," set forth as standards for minimum wages in pending legislation may vary with localities and industries. If these factors do differ substantially with localities, industries, and classes of employees, a uniform and inflexible wage rate may deny some employees the necessities of life and grant luxuries to others. Such a wage rate, while uniform in amount, would be unequal and discriminatory when translated into "living wage." If the purpose of minimum-wage legislation is to assure all employees a "living wage," it is more important to secure uniformity in "real wages" rather than "money wages."

Furthermore, if an inflexible wage law had the effect of establishing a minimum wage for a substantial number of workers which could be shown to be in excess of that required for cost of living, it is doubtful whether there is any authority in the recently decided case of *West Coast Hotel Co.* v. *Parrish* to sustain it. The decision sustained a minimum-wage statute for the State of Washington which directed the Industrial Welfare Commission "to establish such standards of wages * * * as shall be held hereunder to be reasonable and not detrimental to health and morals, and which shall be sufficient for the decent maintenance of women." In commenting upon the statute, the Chief Justice who wrote the opinion stated:

"The legislature was entitled to adopt measures to reduce the evils of the 'sweating system,' the exploiting of workers at wages so low as to be insufficient to meet the bare cost of living, thus making their very helplessness the occasion of a most injurious competition."

And further:

"The exploitation of a class of workers who are in an unequal position with respect to bargaining power and are thus relatively defenseless against the denial of a living wage is not only detrimental to their health and well-being but casts a direct burden for their support upon the community. What these workers lose in wages the taxpayers are called upon to pay. The bare cost of living must be met" (p. 399).

There is nothing in the decision which indicates that the State of Washington would have been at liberty to fix a minimum wage in excess of that which was needed for "cost of living."

Moreover, the Chief Justice observes that minimum wages under the Washington statute are fixed in consideration of services performed and often full consideration by employers, employees, and the public. (See p. 396.)

The dissenting opinion in the case of *Morehead* v. *N. Y. ex rel. Tipaldo* (298 U. S. 587) must also be considered in connection with this question—the case in which the minimum-wage law for women in the State of New York was held invalid. The reasoning of the dissent written by Chief Justice Hughes and concurred in by Brandeis, Stone, and Cardozo upheld the statute because minimum wages were to be based upon two standards, one of which was the "reasonable value of service performed."

This minority opinion is now of utmost importance since the reasoning of the dissenting judges was used in part to sustain the Washington statute in the Parrish case.

Another aspect of Supreme Court history on the minimum-wage question which is not without significance is that after the doctrine of the Adkins case had been established an Arizona minimum-wage act was considered by the Court in the case of *Murphy* v. *Sardell* (269 U. S. 430). Unlike the District of Columbia statute which had been invalidated in the Adkins case, this act instead of creating a board to set wages, fixed a uniform minimum of $16 a

week. It was therefore argued that this statute was distinguishable from the one reviewed in the earlier case. The Court, however, in a memorandum opinion held this statute also invalid, and an Arkansas statute, similarly drafted, suffered the same fate a year later (*Donham* v. *West Nelson Mfg. Co.*, 273 U. S. 657). Yet when the Supreme Court specifically overruled the Adkins case last year, it did not overrule these two cases. Therefore it may be that these cases are still regarded as law by the Court today—an influence which is strengthened by the fact that Mr. Justice Brandeis was the only member of the Court to vote a dissent in these two cases, although there had been a dissenting minority of three (not including Brandeis) in the Adkins case.

Mr. Reilly made this statement to the subcommittee:

MR. GERARD REILLY, SOLICITOR OF THE DEPARTMENT OF LABOR

Mr. Reilly expressed himself in agreement with the preceding testimony of Mr. Ben Cohen. He added the following statements:

1. The only case that has ever been passed on by the Supreme Court in which a flat minimum was established was the Arizona minimum-wage case and that was ruled on adversely. When the Supreme Court overruled its decision in the Washington minimum-wage case they did not expressly overrule the Arizona case so that it is presumed that they did not mean to do so; in other words, that the establishment of a rigid minimum is still unconstitutional. However, of course, this can only be presumed but it is the only basis anyone has in trying to establish or determine the constitutionality of a rigid minimum if argued on these grounds. There is really no precedent which has been upheld for a rigid minimum-wage law. It is as yet untouched ground.

2. There must be some provision in the bill for its enforcement and administration. No law ever enforced itself. Even giving the right of complaint to employees and employers and unions is not effective. This has been proven in the enforcement of the Walsh-Healey Act. Ninety percent of the violations of this act have been reported by investigators of the Government and only 10 percent by individuals acting under the right given them in the statute. In many cases these inspectors were those already employed by the State labor departments working in this case in cooperation with the Federal Government.

3. If the administration of the act were put in the Department of Labor as is the Walsh-Healey Act, it would be much less expensive than the establishment of a new bureau or commission or board. The Walsh-Healey Act, covering contracts of more than $300,000,000, has cost only about $300,000 to administer.

4. There is little or no legislative history in the States for a graduated minimum-wage scale. Its principal difference with a rigid minimum is the immediacy with which the minimum would be reached. This would be new ground in principle, legislatively speaking. There would also be this difficulty that the bill on which Congress held hearings is in no way like this type of legislation. In reviewing a case the Supreme Court often goes to the hearings held before Congress to determine what factors were actually taken into consideration. The hearings before the Labor Committee were on the establishment of a flexible minimum, an entirely different theory, and therefore would have no weight with the Court on deciding the constitutionality of the bill you propose.

The following statement was made to the subcommittee by Mr. Cohen:

TESTIMONY OF MR. BEN COHEN

Certain questions were put to Mr. Cohen and answered in the following manner:

Question. Do you think Congress can write a specific inflexible minimum wage into a bill and have it declared constitutional?

Answer. The courts have never had occasion to pass squarely upon that specific question. The Supreme Court, in the Washington minimum-wage case, upheld a flexible minimum wage which delegated to a wage board the power to fix a minimum cost-of-living wage. I think it is clear also that the Supreme Court would today adhere to the Chief Justice's dissenting opinion in the New York minimum-wage case and uphold a flexible minimum wage based upon the reasonable value of services rendered. So far as the due-process clause is concerned, therefore, we know that the flexible minimum wage is constitutional. Before the Supreme Court passes upon the issue, it is impossible to predict with absolute assurance whether or not an inflexible minimum wage established by Congress would or would not be held constitutional. Much might depend upon the particular State. The test of due process is the test of reasonableness and absence of arbitrariness, and the Court would and should undoubtedly give great weight to the judgment of the Congress.

It is true that it might possibly be argued that it is unconstitutional to fix one single minimum wage for the entire country with its diverse industries and its diverse local conditions. Still if the majority of the Congress after considering the problem decides that it is the best and most reasonable way of dealing with the situation the Supreme Court might well hesitate to pronounce unreasonable what the Congress found to be reasonable. A few extreme cases of hardship are not usually deemed sufficient to make a statute of general application unconstitutional. If the inflexible minimum wage is low enough so that it may be urged that if it provides not more than a minimum decent cost of living even in those parts of the country where the cost of living is relatively low, there should be a reasonable chance of its being upheld. I should not be prepared to say that such a bill would be held unconstitutional.

Question. Has Congress the power to delegate authority to fix wages to a wage and hour committee or board or commission providing, of course, that these committees are appointed by the administrator and take an oath of office?

Answer. I should say that I think that Congress has the power to delegate to an administrative board the power to fix minimum wages in conformity with reasonable standards laid down by Congress.

Question. Suppose Congress were to fix a bottom minimum of 20 cents and a top minimum of 40 cents and give to a commission or some other body the authority to apply this wage scale between the two figures on the basis of certain standards outlined in the bill. Would this be constitutional?

Answer. I should think that would have a good chance of standing up. Certainly the Congress should have the right to fix the top minimum standard so as to confine the bill to workers clearly in need of protection. I should think that the Congress should also have the power to fix some bottom minimum like 20 cents which is clearly not in excess of a minimum cost of living in almost any locality.

Question. Do you think the delegation of power to wage and hour committees such as those contained in the recommitted bill would be unconstitutional?

Answer. Much would depend on the form of the particular bill. In the Carter coal case the decision was based on the fact that the wage committees were designated by private industrial groups and they spoke for only factions of that industry and they based their findings on almost no standards whatever. In the recommitted bill the committees would include representatives of employers, employees, and the general public, and they would be selected by Government officials and not by private groups. Their decisions would be based on definite standards laid down in the statute and their decisions would be accepted or rejected by the Government administrator or board. I think you would be fairly safe in establishing these committees if definite standards are prescribed to control their action and if they are appointed by a Government agency which has the final word in their decision.

Question. Would we be safer with a flexible minimum, legally speaking?

Answer. It seems to be the best type of legislation in dealing with a country as large and as diversified as ours. I do not want, however, to be quoted as saying that an inflexible minimum would necessarily be unconstitutional if it were confined to workers clearly in need of the protection of the Government.

Question. Suppose Congress sets 20 cents as the basic minimum and says that over a period of a certain number of years this minimum would be brought up to 40 cents by gradual increases at stated intervals. Would this be constitutional in your opinion?

Answer. This, of course, presents the problem that in some cases the minimum wage that Congress sets would not be applicable for some years hence. Conditions may change very radically over a period of months and the industry affected might not be in a position to meet this added obligation at the stated time. It would presumably add to the uncertainty of an employer running his business. If you write this sort of bill, conditions may arise some years hence which could not now be foreseen by Congress. A gradual ascent might work greater hardship than the establishment of a flexible minimum adjustable from time to time by administrative action.

Question. Do you think that exemptions specifically written into the bill are necessary?

Answer. I think it is advisable to have some general exemptions for agricultural workers, because the very nature of the work is so different from industrial work, but I certainly do not think that the bill should be emasculated by numerous specific exemptions. There are too many exemptions in the Senate bill.

Remarks: There is a mistaken impression that a bill will enforce itself. This, of course, is not true. State experience with labor legislation has demonstrated the need of detailed administrative provisions for inspection and enforcement. If Congress thinks best it could put the administration and enforcement of the act in the Department of Labor. However, the act should provide administrative machinery for the granting of special licenses to those subject to mental or physical handicaps.

The following letter was received after the House Labor Committee reported a bill on August 6, 1937, similar to the substitute I will offer:

AMERICAN FEDERATION OF LABOR,
Washington, D. C., August 9, 1937.

Hon. ROBERT RAMSPECK,
House Office Building, Washington, D. C.

DEAR SIR: The wage and hour bill as reported by the House Labor Committee is reasonably acceptable and fairly satisfactory to labor. For that reason I am taking the liberty of writing you requesting you to support this proposed legislation when it is presented to the House of Representatives for final passage.

It occurred to me that you wished to know the attitude of the American Federation of Labor toward the wage and hour bill. In fact, a number of Members of Congress have made inquiry as to the position the American Federation of Labor assumed toward this important measure. I am therefore writing you this letter advising you of the American Federation of Labor's endorsement

and approval of the wage and hour bill as reported by the House Labor Committee.

I sincerely hope you may find it possible to vote for the enactment of the wage and hour bill into law without any substantial change in the form and character in which it is reported to the House for passage by the House of Representatives.

Thanking you in advance, I am,

Sincerely yours,

WM. GREEN,
President, American Federation of Labor.

The following letter was received after the Labor Committee had adopted certain amendments sponsored by Mr. Green:

AMERICAN FEDERATION OF LABOR,
Washington, D. C., August 4, 1937.

Hon. ROBERT RAMSPECK,
Member, House Labor Committee,
House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN: I am writing to express to you my deep appreciation of the courteous and considerate treatment you accorded me when I requested of the House Labor Committee that an opportunity be accorded me to present amendments to the wage and hour bill, providing for the protection of collective bargaining and collective bargaining agreements.

Your response to my request was generous, prompt, and sincere. I thank you for the fine spirit you manifested and the fine attitude you assumed when I asked for an adjournment of the House Labor Committee for 1 day, and for the approval which you gave to the amendments to the wage and hour bill which I submitted.

Very sincerely yours,

WM. GREEN,
President, American Federation of Labor.

I include below the views filed by me on the present committee bill:

SEPARATE VIEWS ON SENATE BILL 2475

In the opinion of the undersigned, the bill being reported by the majority of the Committee on Labor of the House as a substitute for the bill passed by the Senate is not a reasonable exertion of governmental authority, but, on the contrary, is arbitrary and discriminatory. It is our opinion that it violates the due-process clause of the Constitution, and therefore will be held invalid when it reaches the Supreme Court if it should be enacted into law.

The history of minimum-wage legislation is as follows: In 1923 the Supreme Court held invalid in the *Adkins case* (261 U. S. 525) the District of Columbia statute providing for regulation of minimum wages through wage boards. Later the State of Arizona passed a minimum-wage law in a different form. Instead of creating a board to set wages the statute fixed a uniform minimum of $16 per week. In a memorandum opinion this statute was held invalid, and likewise a statute from Arkansas similarly drafted was held invalid a year later. The Arizona case is reported in Two Hundred and Sixty-nine United States Reports, page 430, and the Arkansas in Two Hundred and Seventy-three United States Reports, page 657.

Last year in the case of *Parrish* v. *West Coast Hotel Co.* (300 U. S. 379), the Supreme Court, by a 5–4 decision, reversed its previous holding in the Adkins case and specifically overruled that case. It is significant to note that the Court failed to specifically overrule its previous decisions in the Arizona and Arkansas cases.

There is only one other Supreme Court decision in the history of this type of legislation. It is the case of *Morehead* v. *New York* (298 U. S. 587). In that decision the Supreme Court held invalid a minimum-wage law for women in the State of New York. Chief Justice Hughes wrote a dissenting opinion which was concurred in by Justices Brandeis, Stone, and Cardozo. This opinion upheld the statute because the minimum wages were to be based upon two standards, one of which was the reasonable value of services performed.

It seems that this minority opinion in the New York case is now of the utmost importance, since the reasoning contained therein was in part used to sustain the Washington State statute in the Parrish case.

It must be remembered that the Supreme Court has never yet conceded plenary power to Congress or to State legislatures to fix prices or wages. The exercise of such power has been upheld in only two cases, one of which, the Parrish case, has already been discussed.

In the other case, which is *Nebbia* v. *New York* (291 U. S. 502), the Supreme Court upheld the statute permitting price fixing with regard to milk, but in this case and in the Parrish case the power to fix prices and wages was delegated to fact-finding agencies, and these agencies were directed to establish varying prices and wages in accordance with standards incorporated in the laws. The Court pointed out that such statutes must be reasonable and not arbitrary or capricious, and that the right to infringe upon liberty of contract must be justified by considerations of health, the preservation of life, and the protection of a business essential to the public.

It may be contended that the bill reported by the majority of the committee provides for uniform wages and for uniform hours and is therefore not discriminatory, but when these figures are translated into actual wages in the terms of what the dollars will buy, it will be found that the proposal does not provide uniformity in that respect.

In the Washington State case, Chief Justice Hughes based his decision largely upon the theory that a workman should at least receive the bare cost of living, and pointed out that if this was not the case, the taxpayers were called upon to pay the difference.

The foregoing is a discussion of the legal questions growing out of the due-process aspect, but we must also keep in mind the fact that before the Federal Government can regulate wages and hours the interstate-commerce clause comes into play.

In respect to this question the bill favored by the majority delegates the right to the Secretary of Labor to determine what industries shall be affected, which seems to be an unwise if not actually an illegal delegation to a single officer in the executive branch of the Government. This authority is found in section 6 of the bill. The standards prescribed upon which the Secretary is to base a decision are not sufficiently definite.

The bill reported by the majority provides for no fact-finding procedure and totally ignores the fact that in a country as large as the United States there are thousands of varying conditions to which this inflexible proposal must be applied.

For instance, the Bureau of Labor Statistics reports that in towns and villages of a population of 5,500 and less, an average monthly rental of $11 is paid by those in the income group of less than $1,000. This monthly rental shows a gradual increase as the size of the community increases, and averages $23 per month in cities having a population of more than 1,000,000. It will be seen, therefore, that although this proposal would prescribe the same minimum wage in the city of less than 5,500 population as it does for the city of more than a million, the worker in the latter city would necessarily pay more than twice as much rent per month as the worker in the small community, and therefore his real wages would be less.

Another illustration of the complexities to be faced by an inflexible statute can be had from a comparison of rents in Columbia, S. C., and Gastonia, N. C. In Columbia, the worker making from $500 to $1,000 per year will pay $12.60 per month rent, while in Gastonia a worker with the same income will pay only $7.40 per month. The worker in Gastonia will, therefore, get in actual wages an advantage of $5.20 per month over his brother worker in Columbia.

We must also consider, from the standpoint of the employer upon whom this burden is to be imposed, the cost of transportation. He must secure raw materials and his finished product must go to the market.

Fifty-one percent of the population of our country lives in what is known as eastern or official territory with regard to freight rates. Using this territory as the base for 100 the following are the average freight rates for the other sections of the country: southern, 139; western trunk line, 147; mountain Pacific, 171; and southwestern, 175.

To impose a rigid inflexible wage in all parts of the United States will unquestionably mean that some employers cannot longer compete in the eastern market where a majority of our consumers reside. That means, therefore, retirement from business, and their employees, instead of having their wages raised, will find themselves on relief.

It seems to the undersigned, therefore, that to approach a solution of this problem, we must have a fact-finding process to which Congress must delegate the power to determine what wages and what hours shall be applied after a thorough consideration of the facts. To do otherwise would be arbitrary and capricious, would be discriminatory, and would violate the due-process requirements of our Constitution.

Below I offer two editorials from the Christian Science Monitor:

[From the Christian Science Monitor of April 15, 1938]

ASSURING WAGE-LAW DEFEAT

The House of Representatives Committee on Labor has tentatively decided, according to report from Washington, to report a still further redraft of the much-redrafted wage and hour bill in which flat standards for all industries and all sections of the country would be provided, grading up by annual steps to a 40-cent minimum wage and down to a 40-hour maximum week. This is evidently in deference to the demands of the American Federation of Labor.

Of course, it does not apparently matter much what kind of wage and hour bill is written now. There is every indication that no bill of the sort can obtain a rule from the Rules Committee or the necessary 218 signatures to a petition to put it on the calendar at the present session. But if the Labor Committee wishes to make sure of a thumping defeat for the measure it could hardly do better than to take the course now reported. The attempt to impose a flat, uniform statutory standard everywhere without regard to differences of geography or between industries is so preposterous as to raise a presumption that the committee is more concerned with providing the A. F. of L. with a face-saving political slogan than it is with formulating a workable proposal.

[From the Christian Science Monitor of May 18, 1938]

WAGES OF RECOVERY

The new wage and hour bill continues to agitate Congress and country. Both parties' treatment of it gives more evidence of temporary political maneuvering than of hopeful humanitarian reform. This newspaper agrees with the general aim of putting a floor under low wages and a ceiling over long hours. But we oppose the Norton bill for two reasons: It is wrong in method and wrong in time.

Labor standards, as President Roosevelt has pointed out, should take into consideration differences in industries and in living conditions. This bill fails to do that. It fixes rigid standards which would cause unemployment at a time when more employment is desperately needed. And continued political agitation over it is most untimely when the Nation's chief need is for cooperative business recovery. Further efforts to legislate a fairer division of national income might well be suspended until the decline in national income has been reversed.

[From the New York Times of May 21, 1938]

DIFFERENTIALS IN WAGES

While neither the Department of Labor nor the supporters of the wage-hour bill in Congress have gone to any trouble to ascertain and publicize the facts, private research has made amply clear the great extent of the differentials existing in wage rates between different sections of the country and between large cities and small towns in the same section. Studies by the National Industrial Conference Board have shown, for example, that wages in the furniture business are now about 50 percent higher in the far west than in the South, while wages in the lumber industry are about 130 percent higher in the far West than in the South. Similar if less striking differentials exist in other industries. Again, within the same geographical district it has been found that hourly wages are from 15 to 35 percent lower in small communities than in the larger cities.

Nearly all the State minimum-wage laws and procedures have recognized the need of taking these existing differentials within a State into account when fixing minimum wages. In New York different minimums have been fixed for workers in beauty parlors and in laundries; and in the laundry industry itself three different minimums are fixed in accordance with the size of the town in which the laundry is located. In Illinois the laundry industry is also divided into districts, and minimum wages in effect in 1937 ranged from 23 cents an hour to 28, while 37 cents an hour was fixed in the wash-dress industry. Similar differentials could be cited from most other States that have adopted minimum-wage laws.

The principle of geographical differentials is recognized even by the Federal Government in the wage scales fixed by the W. P. A. These begin by setting up wage scales for five different classes of workers—unskilled, intermediate, skilled and professional and technical. The country is then divided into four different wage regions. Within each region itself there are five different geographical classifications depending on the size of populations of towns.

Finally, the President himself recognized the need for differentials in minimum-wage legislation in his message of May 24, 1937, originally recommending a Federal wage-hour law:

"Even in the treatment of national problems there are geographical and industrial diversities which practical statesmanship cannot wholly ignore. Backward labor conditions and relatively progressive labor conditions cannot be completely assimilated and made uniform at one fell swoop without creating economic dislocations."

Yet by imposing a flat uniform wage rate on all industries and sections, this in effect is what the House wage-hour bill proposes to do.

[From the New York Times of May 22, 1938]

THE QUESTION OF HOURS

The wage-hour bill is scheduled to come up in the House tomorrow for debate. Comment upon that measure up to now has tended to focus on the question of wage rates to the neglect of the question of hours. And yet it is quite possible that the restriction of working hours at first to 44 and at the end of 2 years to 40 a week may prove in practice much more serious in its adverse effect on recovery. The French 40-hour week, which has had a disorganizing effect on French industry, and which the parties of the left as well as of the right have been trying to circumvent in practice while retaining it in principle, ought to be a huge danger signal to ourselves. So far as the proponents of the present wage-hour bill are concerned, however, the French law and the subsequent economic history of France might just as well never have existed.

If it were now proposed that the Federal Government should restrict hours to conform with the standards adopted by the most advanced States, for the purpose of prohibiting conditions deemed to be harmful to the health or morals particularly of women and minors, the only serious question at issue would be the constitutional one of whether it was wise for the Federal Government to take over these powers. But what is actually proposed goes much beyond this. The proposed Federal restrictions are to apply not to selected industries but to virtually all of them; they are to apply to men as well as women, and they are based on a different principle. Few people argue that a 48-, not to speak of a 44-hour week, is in most industries seriously harmful to health or even to efficiency. The demand for the 40-hour week rests largely on the assumption that there is a fixed volume of production to be turned out, that there is therefore a fixed number of working man-hours to go round, and that if individual hours are restricted there will be a larger number of jobs. This assumption is quite fallacious. The most probable effect of a shortening of working hours, as experience has shown, is reduced reciprocal demand and reduced national production.

The average number of hours worked per week in manufacturing industries last March, according to the figures of the National Industrial Conference Board, was 33.4. Such figures are sometimes cited to show that a 40-hour legal week could do no harm. But these hours reflect the part-time work brought about by the current depression. As they are average figures they include many 48-hour weeks, and the reduction of the latter to 44 or 40 would doubtless reduce present working hours still further. But apart from that, the short legal working week would present expansion, and the increased leisure would be dearly bought. The Brookings Institution has pointed out that even in 1929, when actual goods and services produced had a value of about $81,000,000,000 (as compared with a rate estimated at $56,000,000,000 today), great unfulfilled wants existed for the masses of people, both rural and urban. The 1929 production was accomplished on an industrial workweek which averaged close to 51 hours. Unless we can be sure of a vast increase in productive efficiency, the institution pointed out, the working week cannot be appreciably shortened without a curtailment of production, and, in consequence, without reducing consumption standards below the level of 1929. Yet we not only need to restore that unsatisfactory level of living; we need greatly to exceed it.

The House wage-hour bill, it is true, does not absolutely prohibit a working week in excess of 40 hours, but provides that hours in excess of that must be paid for at the rate of one and one-half times the regular hourly rate. For many marginal firms and others this will be equivalent to prohibition, particularly in view of the increases provided in regular hourly rates by the bill. Most of the advocates of the wage-hour bill have still to learn the simple principle that no matter how much we may increase wage rates with a view to expanding purchasing power, we will not find available in the market places the goods which minister to the satisfaction of human wants unless they are produced.

[From the New York Herald Tribune of May 21, 1938]

TODAY AND TOMORROW

(By Walter Lippmann)

THE SECTIONAL WAGES BILL

The wage and hour bill, which is now before the House, directs the Secretary of Labor to hold hearings and to decide, subject to review by the Federal courts, whether a particular kind of employment anywhere in the United States is "an industry affecting commerce." If she finds that it is, and if the circuit court of appeals agrees with her, no one may be employed at less than a minimum wage fixed in the act. At the end of 3 years he may not be paid less than $16 for 40 hours' work or less than $18.40 for 44 hours' work or less than $20.80 for 48 hours' work.

The bill is regarded with considerable favor by northern employers and workingmen in those industries, like textiles, which are in competition with the South. So much is this the case that conservative Republicans like Mr. LODGE, of Massachusetts, and Mr. DAVIS, of Pennsylvania, are in favor of it. They regard the bill as the equivalent of an internal tariff to protect northern industries by excluding the products of the cheaper southern labor from the national market.

To meet this the southerners in Congress are asking for differentials, that is, for a lower legal wage in the South than in the North. If they succeed, they will have defeated the real purpose of the bill. For the whole point of the bill is to deprive the South of the competitive advantage resulting from its lower labor costs. And, therefore, a law which fixed a higher minimum wage in the North than in the South would legalize the very thing which this bill is designed to prevent.

The sponsors of the bill should be asked to say just what they think will happen in the southern factories. Do they believe that the southern employers can pay the Federal wage and still compete successfully with the North, or do they believe that this bill will prevent them from competing? Do they think southern employers can pay this higher wage out of profits or do they think they can raise prices and still sell as many goods, or do they think southern producers will be forced to contract and will be discouraged from opening new factories in the South? Just what is the theory of the bill?

The question is important. For the South is in an earlier stage of industrial development than is the North. It has many handicaps. Since the Civil War it has been the victim of a tariff system which forced it to buy in a protected market and to sell its cotton and tobacco in a free market. Since the World War its free world market has been closing, partly as a result of the northern tariff policy. The South suffers from high railroad rates. It has not until recently had access to the private-capital market. But it has cheaper labor and this labor lives nearer the raw materials and nearer a considerable part of the national market.

If the South is to raise its standard of life, it must turn away from its dependence on the export of a few staple crops, like cotton and tobacco, and it must diversify its agriculture and develop local industries. To do this it must compete with the older and more favored industrial regions, and the one real advantage it possesses in the competitive struggle is the fact that southerners are willing and able to work for lower wages.

If this advantage is to be taken away from the South, then it seems only fair that steps should be taken to equalize conditions in other respects. The spokesmen of the South might well take the position that wages are only one factor in production. If wages are to be equalized, then railroad rates, credit facilities, interest rates, and tariffs should be equalized too, and the monopolistic prices for capital goods produced largely in the North should be broken down.

For the fact of the matter is, to put it brutally, that in the long period of Republican rule after the Civil War, the South has had the status of a colony, and the net effect of the Nation's commercial policy has been to keep the South impoverished. Tariff policy, railroad policy, the toleration of trusts and monopolies, and the concentrated control of credit have worked one and all to retard the industrial development of the South and to keep it in the position of a colony producing cheap raw materials. It seems to me the irony of ironies that a Democratic administration should be insisiting on a wage law that will place one more handicap on the South's struggle to raise its standard of life.

For let us have no illusions about it. The statistics about southern wages which horrify northern reformers represent on the whole—there are marginal cases, of course—a distinct and substantial improvement over what the South has hitherto known. The industrial wages are very low. But they are an improvement over the income that can be earned in other ways, from the eroded and depleted land and from casual labor. To forbid men to work except at a wage which protects competing northern industry is almost certainly to interfere with the struggle of the South to raise its standard of life.

This is in truth a sectional bill disguised as a humanitarian reform. It is supported in part by reactionaries who know just what it really means and in part by northern reformers who have never been in the South or have never grasped the tremendous problems which the South has been left with as a result first of the Civil War, and its aftermath of reconstruction, and then of the World War, and its aftermath of economic nationalism.

In conclusion I include a statement I recently prepared for certain newspapers explaining my views on this question:

WAGE AND HOUR LEGISLATION

(By Representative ROBERT RAMSPECK, of Georgia)

On Monday, May 23, the House of Representatives will be faced with a choice as to the type of legislation it shall adopt dealing with minimum wages and the regulation of hours throughout the United States.

The choice will be made between two different proposals which present differing philosophies, both economically and legally.

The Norton bill, favorably reported by the House Committee on Labor, assumes that the Federal Government has plenary power to fix wages and hours throughout the United States for the purpose of increasing purchasing power in the hands of the employees who would be affected. This bill does not take into consideration existing differences in economic factors entering into competition in the 48 States. It does not consider the cost of living, the value of the services rendered by employees, or the cost of unit production.

As opposed to this philosophy, I expect to offer a substitute in the form of a bill drafted by a subcommittee. This latter bill would fix no minimum wages, nor would it regulate hours, but the authority to do so would be delegated to an independent board. Definite standards by which the board must be guided are contained in the proposed act.

In considering these different philosophies on the subject of minimum wages and the regulations of hours, we should not forget the legal and economic aspects involved.

It appears to me that the Federal Constitution does not give Congress plenary power to fix wages or hours. I think it can be done only as a part of the constitutional right to regulate and protect commerce. We must also keep in mind the constitutional provision requiring due process.

The Supreme Court of the United States has in many cases held that neither the State nor the Federal Government can interfere with the right of employees and employers to contract for services unless some special reason exists which makes it imperative that the public good demands such interference.

It must also be remembered that any Federal wage and hour legislation is a legal experiment. No such law has ever been enacted, and therefore doubt must exist as to the attitude which the courts will take toward this attempt to enter a new legal field.

On the other hand, the States, through their police power, have enacted minimum-wage and maximum-hour legislation for women and minors, but have never attempted minimum-wage legislation for men.

Until recently the Supreme Court had held invalid such State law on the ground that the States had no right to interfere with the freedom of contract which the Constitution gives to the citizens. Last year the Supreme Court reversed this position, and it now holds valid State laws on this subject dealing with women and minors on the ground that the failure of employers to pay a living wage makes it necessary for the Public Treasury to supplement the earnings of such employees, and for this reason it has permitted the States to interfere with freedom of contract.

In this matter the Supreme Court has held valid a law which does not fix minimum wages but which delegates that power to an agency of the State under standards prescribed in the act. The method of fixing these wages is through a fact-finding process, where both employer and employee have an opportunity of being heard. The results in this procedure have been to fix varying minimum wages based upon actual conditions. The minimum fixed has varied as to occupation and as to industries, and has been different in large communities as compared with smaller ones.

It seems to me that this latter method is the only one which has a chance of being held valid by the Federal courts. If we disregard the actual variations in wages and the differences in competitive conditions which everyone admits do exist, I am of the opinion that due process has not been provided and the courts will hold such an act to be invalid.

The Norton bill does not provide for any consideration of facts. It prescribes an arbitrary wage which is to be uniform in every part of the country. It is a criminal statute, and any person who violates it must depend upon the criminal courts for a hearing.

Under the subcommittee bill, an independent board would consider economic conditions, the cost of living, the value of the services rendered, the cost of transportation to the consuming market, and the unit cost of production.

The board would then fix varying minimum wages, in accordance with the facts shown in the hearing. Such a policy would protect commerce from the chiseler who profiteers at the expense of his employees. It would prevent one employer from getting an advantage over another by virtue of low wages and long hours.

In the District of Columbia, where a minimum-wage law similar to the one I am supporting is now in operation, the minimum wages fixed have varied from $13.50 per week to approximately $18 per week, depending upon the occupation under consideration and the industry in which such employees work.

In the State of New York, under a similar statute, the board to which is delegated the power to fix minimum wages has made differences of a similar nature. These differences exist between communities of differing sizes, and variations have been made for the same occupation in the same industry because of the facts developed by the board.

Last year the Senate passed a bill which follows the method used in the District of Columbia and in the New York and Washington State statutes. This is the type of legislation for the States which the Supreme Court has now held valid.

The bill I am proposing does not provide arbitrary differentials. It does not propose a lower wage scale in the South, as has been charged. It does contain the possibility of differentials, but these differentials would be based upon facts and upon competitive conditions. The bill is quite similar to the one passed by the Senate last year.

It is a recognized fact that differentials in wages do exist. It is known that different hourly wage scales are paid in Greater New York for the same type of work in different sections of the city. It is also known that the wage scales in the larger cities are generally higher than those in the smaller communities, and there are also differences in wage scales between different sections of the country. I do not believe that we can ignore these facts. We cannot say that they are unjustified without going through a process of hearings by which their fairness or lack of fairness can be determined.

With reference to the cost of living, we know that the average cost of living in Detroit, for instance, is higher than it is in Mobile, Ala. We know that a person earning less than $1,000 per year pays twice as much monthly rental in New York and Detroit as does a similar worker residing in a town of 5,000 population in any of our States. We cannot ignore these facts.

If any of the existing differences in wage scales are fair, then the Norton bill would not be fair because it disregards such variations. Instead of equalizing competition in commerce it would shift the burden from one group to another.

We cannot ignore the fact that the object of engaging in business is to make sales. The chance of making a profit in business depends upon the ability to compete with others engaged in the same business. The consuming market is largely concentrated in the northeastern part of the country, and factories located away from the consuming center must pay the difference in the cost of freight. That is another factor which the Norton bill overlooks.

In view of the fact that it costs an employee less to live in a small community, such employees' real wages under the Norton bill would be more than the wages of the workers in New York and Detroit and similar large communities. To create such a situation does not protect commerce. It would result in forcing employers to move their places of business to the larger centers.

It is my belief that the solution of the problem of the regulation of wages and hours cannot be fairly met by prescribing an arbitrary wage for all industry to be applied equally in every section of the country. I think it must be met by a consideration of the existing variations and by determining the fairness or the want of fairness in such variations, after which an adjustment should be made.

I would like to emphasize the fact that I do not favor less wages for the workers of the South, and I would not be a party to any

plan which would give the South an advantage at the expense of its workers. I favor the highest wage possible for every section, but believe that since all wages must be paid from the sale of what the worker produces they must depend upon the fair consideration of the facts and upon the ability of the employer to maintain his business in competition with others.

It is my hope that the Congress will recognize the practical differences existing in regard to the regulation of wages and hours and will provide a process which will be fair to all concerned and which has some hope of being held valid by the Federal courts.

In order to accomplish this purpose I feel that it is necessary to delegate the authority to fix wages and hours to an agency of the Government, under proper standards, which will engage in a fact-finding process through which the proper wages can be determined.

Mrs. NORTON. Mr. Chairman, I have not the time to reply to the gentleman from Georgia [Mr. RAMSPECK], so I would like to have included in the RECORD at this point a letter from Mr. Robert H. Jackson, one paragraph of which I shall read:

I have not expressed, and do not hold, the opinion that it is unconstitutional. No precedent or decision of the Supreme Court requires such a conclusion.

I also have here the statement of Mr. Benjamin Cohen before the subcommittee of the Committee on Labor considering the wage and hour bill which I would like to have included in the RECORD in answer to the statement of the gentleman from Georgia relating to this particular question. In one sentence of this statement Mr. Cohen states:

I would hesitate to say that a statute providing for a wage that Congress fixed as being necessary to provide a decent standard of living was unconstitutional.

Mr. Chairman, I ask unanimous consent to extend my remarks and include both of these documents in the RECORD at this point.

The CHAIRMAN (Mr. WALLGREN). The Chair will state to the gentlewoman from New Jersey that she will have to obtain that permission when we go back into the House.

Mrs. NORTON. Very well, Mr. Chairman.

The matter referred to follows:

OFFICE OF THE SOLICITOR GENERAL,
Washington, D. C., May 20, 1938.

MRS. MARY T. NORTON,
House of Representatives, Washington, D. C.

MY DEAR MRS. NORTON: In answer to your request as to whether my statement before the committees of the House and Senate, when wage and hour legislation was first proposed, can be construed to mean that I think the bill now pending before the House as reported out by your committee unconstitutional, I beg to advise you:

I have not expressed and do not hold the opinion that it is unconstitutional. No precedent or decision of the Supreme Court requires such a conclusion.

In discussing the constitutional basis for a Federal wage and hour bill at the opening of the hearings, I did point out a caution that will be appreciated by every practical lawyer who understands the strategy by which enemies of an act contest its constitutionality. Of course, such opponents would attempt to select a case in which the facts would present the maximum hardship possible in the application of the legislation. An act may be unconstitutional in respect to a situation of particular hardship, while completely constitutional as to all other cases; and, therefore, a declaration of unconstitutionality on the first set of facts brought before a court would not interfere with the general applicability of the act. But for purposes of forming public opinion against legislation on the basis of unconstitutionality, such a first decision would be important to enemies of the legislation. I, therefore, pointed out an advantage in flexible provisions to be applied by an administrative board, as provided by the bill then under consideration, in that cases of hardship could be weeded out by the application of administrative discretion by the board, and opponents of the legislation would have to test its constitutionality only under cases in which the board had found that the act should wisely be applied.

In connection with this caution, I pointed out that the application of one standard wage throughout the country would be apt to create a wider field of unanticipated situations of hardship available for lawyers challenging the act than if the administrative board had the discretionary power which I had discussed.

A caution against this practical situation should not be construed as an opinion that the bill as reported to the House by your committee is unconstitutional.

The power in Congress over interstate commerce is the same, whether it is exercised by a flexible rule administratively applied, or by a rigid rule fixed by Congress in the terms of the statute. The Constitution does not prescribe either method, nor does it prohibit either method for the exercise of congressional power, and the choice of methods is for the Congress.

The limitation upon this power over interstate commerce imposed in the due process clause as construed by the Supreme Court requires simply that the interstate-commerce power of Congress shall not be used to obtain an arbitrary, capricious, or unreasonable result. There is no authority for saying that a fixed standard for wages and hours in legislation asserting Congress' power over interstate commerce is of itself arbitrary, capricious, or unreasonable under the due-process clause.

I trust this letter will clarify any misunderstanding of the testimony which I gave before your committee.

Sincerely yours,

ROBERT H. JACKSON,
Solicitor General.

STATEMENT OF MR. BEN COHEN BEFORE SUBCOMMITTEE

Question. Do you think Congress can write a specific minimum into a bill and have it declared constitutional?

Answer. The courts have never passed on the type of statute in which Congress provides that no one may be employed for less than a certain wage when the goods in the production of which he is engaged are shipped in interstate commerce. Assuming that Congress has the right to delegate the power to fix minimum wages at all, then arises the question of due process. The courts have gone so far as to say that due process is just a requirement of reasonableness and an absence of arbitrariness. I would hesitate to say that a statute providing for a wage that Congress fixed as being necessary to provide a decent standard of living was unconstitutional. On the other hand the differences already existing in different parts of the country do create problems that would afford an opportunity for a case to be made out and reviewed which would be held unconstitutional. I feel that the problem is more legislative than judicial, however.

A minimum cannot be set without taking into consideration the value of services rendered. If you set a minimum of $1 an hour it would be difficult to prove that in all cases the services were worth this. If, however, you set a very low minimum it would not be so difficult although, because of existing differences in this country, it might be held unconstitutional. I think you are more likely to be safe from attack with the establishment of a flexible standard. I cannot say, however, that if an inflexible minimum were provided which did not go beyond what one might regard as reasonable compensation for services rendered it would be unconstitutional. I think Congress, after studying the situation thoroughly, could itself recommend certain rates and it would be held constitutional if Congress had been in a position to be so certain of all facts that no one could go into court and say he had not taken certain factors into consideration in a certain situation.

Mr. WELCH. Mr. Chairman, I yield to the gentleman from New York [Mr. CROWTHER] such time as he may desire to use.

Mr. CROWTHER. Mr. Chairman, I desire to quote from an address I delivered in the House on May 18, 1928, during a discussion of the tariff, as follows:

IMPORTANCE OF GOOD WAGES

The question of a high wage, with opportunity for its increase with the development of industry and the skill of the workmen, is a vital necessity to continued progress of the people of this Nation. The workers and their families, who are the producers, are also the consumers, and their purchasing power must be gradually increased, for no longer are we satisfied that our American workmen shall be able to just barely exist, but must be able to purchase not only necessities but some of the comforts and luxuries and still have a margin that will permit them to keep an account in a savings bank or a building and loan association.

In line with my views at that time, I shall support this wage and hour bill. However, I desire to call attention to the fact that the policy we are about to adopt is at complete variance with the plan of this administration to gradually destroy the protective-tariff policy. If this legislation is effective, it means increased production costs and in view of that fact, to open the gates at our customs houses and invite the world to dump its cheaply produced merchandise on our market at reduced tariff rates, is the essence of inconsistency.

This piece-meal reduction of our protective-tariff system by consecutive trade agreements is eventually going to be thoroughly analyzed by the workers in this country and when they are confronted with the facts they will realize that we shall soon be on so low a tariff basis that every country in the world will flood us with its products, which are in many instances produced by sweatshop methods and child labor, two conditions which we are endeavoring to eliminate in our own country. Who among you honestly believes that such a program contains the element of common sense?

Mrs. NORTON. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. HEALEY].

Mr. HEALEY. Mr. Chairman, the bill that today is before the House for a second time as a result of the extraordinary method of a petition to bring it to the floor for consideration, embodies a great struggle in this country for this social legislation.

The fact that the health, morals, and efficiency of many of the poor, the weak, the unorganized, and the underprivileged of our country have been exploited by unscrupulous employers was recognized as far back as 40 or 50 years ago, and the struggle to improve their conditions has gone on unremittingly since that time. It has always been a difficult fight to obtain passage of legislation of this character because the people most directly affected are inarticulate, they are unorganized, they cannot afford to maintain a lobby to press their fight. But neither have they had lobbyists back in their State capitols. Yet 24 State legislatures as well as 2 of our Territories have passed legislation based on the same philosophy which has given protection to women and minors in industry. Today we have at last come to the realization that we ought to do something to protect those States, to safeguard the laws which they have passed for the protection of their workers in order that the standards which they have established may not be undermined by States which have consistently refused to recognize progressive and humane standards. It has always been argued, and it will be argued here, that such legislation is an attempt by the Federal Government to regiment and regulate all labor and all industry. My State, as far back as 1912—and it led the whole parade—passed an act regulating the hours of labor for women and children, and we have not yet attempted to regulate or regiment either labor or industry. After we passed that humane law along came all of those other States that recognized the need to conserve the health of the women and children of this country by humane laws that would protect them from the merciless employer who would sweat them for long hours and for pitiably small wages. As far as I know, not a single one of those States has ever attempted to use such legislation as a means to regulate or regiment industry or labor.

This ought to be the answer to those who will contend that this is an attempt by the Federal Government to regulate and regiment labor and industry. Oh, no, that is not the purpose of this bill. The States have contended right along that through the police power they ought to have the right to conserve the health, efficiency, and morals of their people. Only last year the Supreme Court decreed that they do have that power, when the Court upheld the Washington minimum-wage law in the Parrish case, the first case in which a minimum-wage act has been validated by the Supreme Court.

So, Mr. Chairman, now that the Supreme Court has determined that the Constitution does not forbid such legislative enactment by the several States, why should not this Congress, with its power to regulate interstate commerce, as a supplement to the 24 State laws, protect those States by the passage of this bill, thereby not only safeguarding the laws which they have passed for the protection of women and children in industry but also protecting men engaged in interstate commerce against sweatshop exploitation? Certainly we must recognize the fact that if we are to protect women and children in industry, we should also, under the police powers of the State, together with the interstate commerce clause of the Constitution, protect men employed in industry.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. HEALEY. I cannot. I have only a few moments. I would like to yield to the gentleman. I have just listened to the gentleman from Georgia [Mr. RAMSPECK] for whom I have the greatest respect, and who has a profound knowledge of this subject, state that he believes it is necessary to have a board make factual findings before wage and hour determinations can be fixed. If the Congress has power to delegate to a board the authority to make such determinations, then it seems to me that where we are already in possession of the facts we ought to have the power to write into legislation fixed and inflexible standards where the conditions warrant them. I am going to read a few excerpts from the dicta in the majority opinion of Chief Justice Hughes in the Parrish case:

> The legislature of the State was clearly entitled to consider the situation of women in employment, the fact that they are in the class receiving the least pay, that their bargaining power is relatively weak, and that they are the ready victims of those who would take advantage of their necessitous circumstances. The legislature was entitled to adopt measures to reduce the evils of the sweating system, the exploiting of workers at wages so low as to be insufficient to meet the bare cost of living, thus making their very helplessness the occasion of a most injurious competition. The legislature had the right to consider that its minimum-wage requirements would be an important aid in carrying out its policy of protection.
>
> There is an additional and compelling consideration which recent economic experience has brought into a strong light. The exploitation of a class of workers who are in an unequal position with respect to bargaining power and are thus relatively defenseless against the denial of a living wage is not only detrimental to their health and well being but casts a direct burden for their support upon the community. What these workers lose in wages the taxpayers are called upon to pay. The bare cost of living must be met. We may take judicial notice of the unparalleled demands for relief which arose during the recent period of depression and still continue to an alarming extent despite the degree of economic recovery which has been achieved. It is unnecessary to cite official statistics to establish what is of common knowledge throughout the length and breadth of the land. While in the instant case no factual brief has been presented, there is no reason to doubt that the State of Washington has encountered the same social problem that is present elsewhere. The community is not bound to provide what is in effect a subsidy for unconscionable employers. The community may direct its lawmaking power to correct the abuse which springs from their selfish disregard of the public interest. The argument that the legislation in question constitutes an arbitrary discrimination because it does not extend to men, is unavailing. This Court has frequently held that the legislative authority, acting within its proper field, is not bound to extend its regulation to all cases which it might possibly reach. The legislature "is free to recognize degrees of harm and it may confine its restrictions to those classes of cases where the need is deemed to be clearest." If "the law presumably hits the evil where it is most felt, it is not to be overthrown because there are other instances to which it might have been applied. There is no "doctrinaire requirement" that the legislation should be couched in all-embracing terms (300 U. S., pp. 398, 399, 400).

I believe I have read enough to show that in this particular case the Court itself took judicial notice of economic conditions without requiring formal proof of facts that are within common knowledge. Congress certainly has power to fix a minimum wage in accordance with a "cost of living" standard rather than delegate the task to an executive board or agency—if it has facts showing what wage the cost of living warrants.

> Where a single minimum wage is prescribed by the Congress for all localities in the United States, as is the case in the proposed bill, under the doctrine of the Parrish case, it should only be necessary to show that the wage established in the statute is not in excess of that which is required by costs of living for the region of the United States where living is the cheapest. In other words, if the cost of living for industrial workers engaged in interstate commerce is cheaper in Alabama than in any other State in the Union, and the cost of living in that State requires a wage rate of 40 cents an hour to provide the necessities of life, such a wage rate for the entire United States would appear to be reasonable and valid. No employee could show that he was aggrieved.
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> In my judgment statistical studies which have been made within the last 2 years demonstrate that the minimum wages provided in the present bill are not in excess of the requirements of cost of living. In an elaborate official study entitled "Intercity Differences in Cost of Living in March 1935, 59 Cities," made by Works Progress Administration in cooperation with the Bureau of Labor Statistics, it is stated that "the cost of a specified standard of living does not differ widely among most cities; differences in living costs are to be explained to a considerable extent by the differences in the standard of living." This is illustrated by the following excerpt from this study:
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> "The cost of living in the maintenance level ranged from a high of $1,415 in Washington, D. C., to a low of $1,130 in Mobile, Ala., at March 1935 prices. The average in the 59 cities combined was $1,261. The cost of the emergency level was also highest in Washington, $1,014; but was lowest in Wichita, Kans., $810. The average was $903. At both levels the necessary outlay in the most expensive city averaged about 25 percent above that in the least expensive; in more than one-half the cities living costs were within a range of $100 per year."

The significance of this excerpt cannot be fully appreciated unless the terms "maintenance level" and "emergency level" are understood. The maintenance level is explained in the study to provide only for the cost of living necessary for material needs and some psychological needs. Emergency level provides almost exclusively for physical needs, and the study adds, "but it might be questioned on the ground of health hazards if families had to live at this level for a considerable period of time. * * * Neither of these budgets approaches the concept of what may be considered a satisfactory American standard of living, nor do their costs measure what families in this country would have to spend to secure 'the abundant life.'" In this study the cost of living figures were based on the living requirements of industrial workers for a family of four (husband, wife, and two children). Maintenance and emergency level budget costs, after sampling in the 59 cities studied, were found to be composed as follows:

	Maintenance level		Emergency level	
	Amount	Percent	Amount	Percent
Food	$448	35	$340	37
Clothing, clothing upkeep, personal care	184	15	128	14
Housing	222	18	168	19
Household operation	154	12	122	14
Miscellaneous	253	20	145	16
Total	1,261	100	903	100

It should be noted that the lowest cost of living in any of the 59 cities on an emergency-level basis was found not in the South but at Wichita, Kans.—$810 a year for a family of four. Now the greatest annual wage which an employee could receive under the present bill after the 40 cents became operative is $832. This would require him to work 52 weeks per year, 40 hours per week. However, the act prescribes a minimum wage of only 25 cents an hour for the first year which would produce an annual income of only $520 for an employee working full time at 40 hours per week.

On the basis of this survey, how can it be said that $520 or even $832 is more than enough to provide the costs of living necessary to health and decency or even anywhere near enough?

Then if the wage fixed in this bill is so low that it does not even meet the necessary amount for the lowest wage area, how can any court say that it is arbitrary, how can any court say that it is unreasonable or capricious?

Mr. RANDOLPH. And more than that, the Congress in setting that wage has added a double safeguard by approaching it over a 3-year period.

Mr. HEALEY. Yes.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. WELCH. Mr. Chairman, I yield the gentleman 2 minutes more.

Mr. SEGER. Mr. Chairman, will the gentleman yield?

Mr. HEALEY. Yes.

Mr. SEGER. The gentleman knows that I come from a district that is largely textile and labor, where all labor is in favor of this bill as well as many of the industries. I am going to vote for the bill. I received a telegram which I would like the gentleman to clear up for me.

The telegram reads:

Subdivisions (b) and (c) of section 6 are unfair and discriminatory. The business of all the dealers in newspapers would be unfairly and seriously affected if these subdivisions were included as part of the bill.

What shall I reply to the writer of this inquiry?

Mr. HEALEY. Retail establishments are absolutely out of the provisions of the bill, they are exempted. The bill specifically exempts persons engaged in retail capacity.

Mr. SEGER. What about the newspapers?

Mr. HEALEY. They would be exempt if they were intrastate and if their activities were not so involved in interstate commerce as to have any great effect.

Mr. SEGER. Would that be true despite the fact they import newsprint from Canada?

Mr. HEALEY. I do not think it would have any effect on that at all.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. HEALEY. I yield gladly to my friend from Georgia.

Mr. COX. If the purpose of the bill is to relieve the distressed condition of substandard workers, and if the lowest-paid workers today in this country are found in the fields of the farm and retail establishments, then why did the committee exempt these classes from the provisions of the bill?

Mr. HEALEY. I am sure the gentleman knows the answer: Because that would exceed the powers of Congress. We are limited by the Constitution to business in interstate commerce. [Applause.]

[Here the gavel fell.]

Mr. WELCH. Mr. Chairman, I yield such time as he may desire to the gentleman from Maine [Mr. SMITH].

Mr. SMITH of Maine. Mr. Chairman, your labor committee, under the splendid leadership of our faithful chairwoman [Mrs. NORTON] worked diligently to present a wage and hour program for your consideration.

If we are sincerely in favor of improving working conditions throughout the Nation, especially to help those who are underpaid and unorganized, it is a timely duty of the Members of this Congress—North, South, East, and West—to meet the situation businesslike, man-fashioned, and unselfishly, with friends and foes, Republicans and Democrats, willing to forgive and forget, to give and take.

My interests are in the far East, where workingmen expect, deserve, and do enjoy more wages and shorter work days than are specified in this bill.

It was in the hope of establishing a principle on which to found well, build well to that goal of fair wages and good profits for every man, irrespective of race or section, that prompted me to subscribe to a 25-cent hour and a 44-hour week.

According to records there are more than 3,000,000 fathers and mothers who are working for five or less dollars per week. Parents thus handicapped certainly cannot be of any good to themselves, their families, or to society, wherever they may reside. Neither do these laborers create a buying power, so necessary for a return to better days, so essential to stop pump priming, debt increasing, and tax extensions.

The 40-cent-per-hour maximum, an annual average wage of about $650, suggested, will not support a family of four comfortably, normally, humanely, whether residing in the sunny South or the frozen North.

From time immemorial welfare departments in every village, hamlet, and town have so declared. Social security boards throughout the Nation have likewise determined. Last, but not least, the Labor Department, by exhaustive and untiring investigations, place the amount for decent living very much higher.

Yet there are those with mystic deductions, with mythical delusions, who say this bill would be unconstitutional because it does not expend millions and millions of dollars for creating a fact-finding commission to prove that fathers and mothers do not need six or seven hundred dollars to exist on.

Let me say that, in my judgment, no court in this day and generation would rule on such a fantastic basis, because human beings are entitled to more than a mere subsistence, the best of medical care, the chance to educate the children, and the opportunity to save for old age. Thank God, it is a part of this life's program.

Hours of work suggested in this bill will mitigate torture and suffering for millions who are working too many hours. But the 44-hour week specified will not materially solve our unemployment situation which is now wrecking governmental fundamentals.

Furthermore, we must not overlook the fact that this problem will continue to embarrass our Nation, even when prosperity reaches over the threshold of every home. Modern methods, labor-saving devices, that shatter all kinds of employment, can only be combatted by shortening the working day, far beyond the hours now being considered.

The opposition argues, wearingly on, that such a change will increase production costs, they not realizing that relief expense creates, by far, a more serious burden, not only in dollars and cents, but in challenging the pride, the hope, the ambitions, the initiative of our working people, the greatest sacrifice of them all now being made by man and men.

Farmers who have not thought clearly on this subject feel that wage and hour legislation will salvage their last cent, their only hope. While agriculturalists are exempt from all provisions of this bill, such legislation may increase production costs of the farmers' produce, and apparently lessen his profit. But let us take account of stock.

At the present time there is a very limited market for his goods, and at low prices, simply because his customers are out of employment or working at starvation wages.

Reinstate these unfortunate men and women by giving them a fair salary, thereby creating a demand for the farmers' produce, the merchants' goods. This will give business a chance to develop and expand. Then the butcher, the baker, and candlestick maker will bless the day when all can pay better wages.

Differentials, suggested from time to time, have been the bone of contention, the fly in the ointment, that have prevented a fairer workday.

We are told that the laborers of one section of the country are slow, lazy, and indolent, hence industries, employing such people, cannot operate on an efficient basis.

Many of the facts presented at our labor hearings proved this to be an idle dream, for manufacturers, owning factories in all sections of this country, testified that efficiency was as good in one as in the other; but that under the prevailing working differentials they were able to manufacture at lower cost in sections where subnormal working conditions prevail, thus proving that inefficiency is not the controlling factor. But instead, that human beings are being sacrificed by the way of lower wages and longer hours to induce industries to move from one section to another.

Now then, if we cannot have a bill, free from gain and greed, free from favors and favoritism, many of us will be obliged to vote against it, trusting that in the near future the laboring people, in the lower-paid communities, will assert themselves by demanding a wage that will provide for them the same advantages enjoyed by their fellowmen in other parts of the country.

I am hoping that the virtues of this proposed legislation will not be destroyed by amendments, sometimes presented in disguise, and that the bill will be accepted in no uncertain terms. [Applause.]

Mrs. NORTON. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. FITZGERALD].

Mr. FITZGERALD. Mr. Chairman, I am for this bill because I remember well the appeals that were made to me by the class of people from the State of Connecticut who will be benefited by this bill.

I am for this bill because I have suffered under the same competition this bill will eliminate. Possibly no other man in the House today has had my experience in learning a trade 35 years ago, working at it, joining in all the labor organizations that built my standards and protected my family, only to have the day come that in order for the company for which I worked to compete with chiseling cutthroat companies the demand was made on me to wear overalls 6 days a week, work long hours, and at wages reduced to such a stage that I could not take care of my family. This I and others in working for that company refused to do. The company was forced to move from the eastern part of the country to another section where men were willing to work long hours for low wages and to wear overalls 6 days a week.

What did I want? Just enough after working long hours to feed my family, to shelter them, to educate them, and to put a little away for old age that would take care of me when old age overtook me. Was I wrong? I say to you Members of this House today that the quicker we get back to that philosophy the better it is going to be for this country.

I am for this bill because I have seen the same situation time after time when I was deputy commissioner of labor in the State of Connecticut where people were willing to sacrifice, strike, resist these low standards being forced upon them; and what happened? Reductions of wages were put into effect. Strikes took place; and then overnight these plants moved to other sections of the country and left ghost villages. Do you know what it means where there is but one industry in a small town and it folds up and goes out of business? Do you know the heartaches it causes?

I am for taking out of business the industrialist who lives on the blood of women and children—and we have them in my State. You talk about low wages in the South; we have them in our section of the country, wages as low as $2, $3, and $4 a week. We have the type of industrialist that goes into the section bought by the chamber of commerce, enticed from one city to another, taking women in for a 6 weeks' training period at no salary at all to learn a job that would be learned in 2 hours. That is the fellow in my State that I want this bill to reach and have him give way to the manufacturer who does want to pay a good wage and furnish good conditions.

Mr. Chairman, this is my first term and I have been trying to find a way out for the 300,000 of our boys who are in the forests of this country today.

[Here the gavel fell.]

Mr. WELCH. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. FITZGERALD. Mr. Chairman, we have failed miserably. Only a few weeks ago we appropriated an additional $50,000,000 to keep these forests and camps open. There is industry in America today doing Government work and, even with the penalty of time and a half, they are working men 60 and 74 hours a week because, they claim, they have not trained men. Let us consider these 300,000 boys.

Mr. Chairman, in a few years we will not even have 40 hours a week. We have modern machinery that has increased production a hundredfold. Our hours of labor are going down until the boys and girls of our country can be given the opportunity to work in industry. During the last 15 years, with the immigration laws as strict as they have been and with 9 years of depression, there have been imported into this country one and a quarter million mechanics, and this in face of the fact that we have 300,000 boys, the flower of our youth, in the forests. I am appealing to you to give these boys who are in the forests a chance to learn a trade. Let us pass legislation which provides that these industries doing Government work may employ people only 40 hours a week except in time of war or in time of emergency or disaster. We will have to come to that eventually unless we intend to keep these boys in the forests forever. I, as a father, do not want to see the boys and girls of America at 17 years of age told they are going to live off the Government when actual opportunities for them to work should be provided. [Applause.]

In my opinion, the American people in 1936 voted in favor of governmental action to improve working conditions for the workers of this country, to reduce long hours, to increase wages which spelled starvation, to end the labor of children, and to wipe out sweatshops. They expressed their desire to have the best possible wage-hour bill that could be devised enacted into law at the earliest possible date. This was not merely an emotional urge to make a few unscrupulous employers grant standard labor conditions; rather it was an indication of a determination to turn the increasing use of labor-saving devices into increased wealth and security, of a determination to convert our abused and exploited workers into actual buyers of billions of dollars of industrial and farm products.

In accordance with this desire, bills calling for wage-hour legislation were introduced very early in the Seventy-fifth Congress, and although this legislation received the favorable consideration of the Senate last year, it seemed to have been doomed when the House recommitted its bill during the special session. Strong public sentiment and the will of our President were instrumental in its being resurrected from committee this spring, only to have it blocked again, this time by the Rules Committee.

Two weeks ago there occurred in the House of Representatives one of the finest demonstrations that it has been my

pleasure to observe. As you recall, the Rules Committee by an 8-to-6 vote had decided against allowing the Fair Labor Standards Act of 1938 to be submitted to the House for debate. In order to discharge the Rules Committee from further consideration of this bill, it was necessary that 218 Members of the House of Representatives signify their desire to have this bill debated by signing the discharge petition.

In little more than 2 hours, after the petition had been laid on the table, the required number of signatures had been obtained, thereby assuring the House of Representatives an opportunity of voting upon this proposed measure.

In general, the passage of this Fair Labor Standards Act will result in the raising of wages and a shortening of the working hours for the underprivileged of our country. It proposes to establish a floor for wages and a ceiling for hours, and to abolish child labor. This bill, however, does not intend to fix an immediate minimum wage or an immediate maximum number of hours; instead it will operate on a scale until it reaches its objective of 40 hours at 40 cents per hour. The bill provides for a minimum wage of 25 cents, which minimum will automatically increase 5 cents yearly until its peak of 40 cents has been reached. In the matter of the hours, the bill contains a provision for a maximum hour workweek of 44 hours, which will automatically reduce 2 hours per week each year until there is a 40-hour week.

By the operation of this bill the 40 cents per hour wage will be reached at the end of 3 years, and the 40-hour workweek will be reached at the end of 2 years.

The theory behind this automatic increase in wages and decrease in hours is sound. In the last few months there has taken place a sharp decline in business activity; with that decline have come the inevitable wage cuts. It is the belief of the majority that a gradual approach to the desired standards for wages and hours will not cause the economic dislocations that might otherwise result.

This bill also retains the provisions in relation to child labor. It has been clearly understood for a good many years that young men and young women in industry need strictly enforced legislation of a protective nature—legislation that will eliminate much of the abuse and exploitation. This bill will accomplish the desired ends, since it defines oppressive child labor as being the employment of a child under the age of 16 in any occupation, or the employment of any person between the ages of 16 to 18 in any occupation which the Chief of the Children's Bureau in the Department of Labor shall declare to be particularly hazardous or detrimental to his health or well-being. Children above 14 may be employed in occupations other than mining or manufacturing when it does not interfere with their schooling; for example, working during vacation.

I am an exponent of wage and hour legislation. It is something in which I have the utmost faith and confidence. I believe that legislation of this sort will do more toward promoting permanent recovery than any other single piece of legislation that could be proposed. Labor organizations and the unskilled workers of this country strongly favor it and urge that it be adopted at the earliest possible time. Nor is it labor alone that is in favor of it because I have received telegrams and letters from enough industrialists to warrant my conclusion that they, too, as a class, are in favor of the wage-hour legislation.

It is my opinion that those who are opposed to wage-hour legislation are the very ones who are opposed to humanitarian legislation of any kind; they are the ones who do not believe that the workingman is deserving of a living wage, nor that his family should have a sufficient income to assure it of the bare necessities of life.

I would have you observe that this proposed legislation will not improve the wages and hours of the majority of workers, nor does it attempt to. For I am greatly pleased to say that the majority of workers do not need this legislation because they are receiving a living wage and are not forced to work unreasonable hours. This happy condition has been brought about by collective bargaining or by the voluntary act of an employer. I feel that the outstanding feature of this bill is that it will benefit the minority of our workers, who for years have been abused and exploited by unscrupulous employers and who have been forced to accept a wage that will not allow comfortable living, and who have been compelled to work 60 to 70 hours a week under intolerable working conditions. These are the people that will be protected and it is they who will reap the benefits of a bill that has a floor for wages and a ceiling for hours.

It has been said that a minimum wage and maximum hours will force the little concern out of business and that small concerns will not be able to pay 40 cents an hour for a 40-hour week. I contend that this was not the case during the N. R. A. and it will not be true under a minimum-wage bill. Nor will it affect the larger industries, because with very few exceptions workingmen in those industries are already receiving a wage in excess of the minimum proposed by this bill. I do not believe that the minimum wage will become the maximum wage, because during the period of the N. R. A. prosperity was returning rapidly. Should there, however, be a tendency upon the part of employers to look upon the minimum wage as a maximum, let me point out that the workers can always have recourse to their rights to bargain with their employer.

The wage and hour bill is an honest and sincere effort to meet and not to avoid the just demands of the workingman that his fundamental rights be observed. In guaranteeing to the workingman a minimum wage a few employers may suffer some inconvenience. I feel, however, that the automatic increase in the minimum wage from 25 to 40 cents over a 3-year period will give an employer ample time in which to adjust himself to the minimum wage and its yearly increase.

The employer who in all probability will feel this minimum wage most keenly and from whom we may expect much opposition is that employer who is not accustomed to and is not inclined toward paying a minimum wage, since it will necessitate his competing with shops where standards conditions are maintained, which competition, and because of his low cost of production, he has not had to meet in the past.

The administration of the bill is in the hands of the Secretary of Labor, who, having certain rules as guides, has the power of determining what industries affect the commerce between the States. The Secretary will have the power to utilize the Bureau of Labor Statistics of the Department of Labor for all investigations and inspections necessary under the act.

Let me again express the opinion that this legislation is most worthy of the favorable action of this House. I am confident that it will accomplish its purpose, and it is my sincere recommendation that it be enacted into law at this session of Congress.

Mr. WELCH. Mr. Chairman, I yield the gentleman from New York [Mr. SIROVICH] 15 minutes.

Mrs. NORTON. Mr. Chairman, I yield the gentleman from New York [Mr. SIROVICH] 15 additional minutes.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. SIROVICH] for 30 minutes.

Mr. SIROVICH. Mr. Chairman, when a symphonic orchestra with diversified mechanical instruments plays in harmony, in unison, and in one accord, we have unity of musical expression which is called rhythm and melody. Here we behold how a cooperative tendency results in transforming diversity to unity. Evolution always means the change from diversity to unity. This constant change from diversity to unity is not only true of mechanical nature but is true of biological nature, as well as of all manifestations of the historical process.

In religion, for instance, we see polytheism, the worship of the many gods, dying out slowly and being replaced by monotheism; that is to say, going from diversity to unity.

Political life of man begins with tribalism. In the course of political development tribes unite and form a nation. The way from tribalism to nationhood—many tribes and one nation—is again the way from diversity to unity.

In science we observe a similar evolution. First, man tries to gain knowledge of simple phenomena. When he accumulated a greater knowledge of a multitude of phenomena, he tried to discover the one principle governing them all. In seventeenth century physics Newton discovered that principle, gravitation. In twentieth century physics, Einstein discovered that principle, relativity. The greatest triumph of science is the discovering of one principle as the explanation for a multitude of phenomena. The fundamental and underlying principle of science consists, therefore, in going from diversity to unity.

The literary process shows a similar tendency. First, there are local expressions and then there is national expression. Before a nation produces its Shakespeare or its Goethe, its Hugo or its Tolstoi, it experiences literary localism and regionalism. When a national expression embodies in the figure of one creative genius it replaces all local expressions; the literature of a nation has therefore reached its peak of development.

It stands to reason that economic development is not an exception to the ironclad law from diversity to unity. The many economic standards and the many economic laws governing our Nation must be replaced by one standard and one law of minimum wages and maximum hours. A fully developed Nation of 48 States can no more have 48 different and contrary economic laws than it can have 48 different languages, different civilizations, or different cultures. But as it is today, we have in America two different economics, governed by two different laws, and representing two different standards. In one section of our country the economic toiler is paid a living wage, though not a saving wage. In another section the worker receives starvation wages and is often so underpaid and so badly exploited that he can hardly meet both ends and can scarcely have a real feeling of human dignity. He is not only the underdog but he is also the underworm. The underworm, struggle as hard as he does, cannot be creative and cannot contribute to the physical, spiritual, and moral strength of the Nation. What the wage and hour bill really represents is an attempt to create one uniform minimum-wage standard for the entire fabric of our American economic life, replacing a diversity of wage-slave standards that is a reflection upon human dignity and the respect that America owes to its producing and toiling workers that have made our Republic great and glorious. [Applause.]

Mr. Chairman, everything that is produced in our country through agriculture and industry is the result of the labor of the beast of burden, the machine, and the human being. Whether we are reactionaries, conservatives, liberals, progressives, or radicals, whether we are in the habit of looking forward or backward, we must all admit that there is a tremendous difference between the labor of the beast of burden, between the labor of the machine, and the labor of human beings.

Let us analyze the wages of these three groups that I have just enumerated. What are the wages of the beast of burden today in our country? All that he receives from his master, whom he serves loyally and faithfully, is the oats, bran, hay, corn, and other food products necessary to keep him alive, besides the roof that shelters him from the ravages of the weather. In other words, all that the beast of burden receives as compensation is enough to live and to exist.

What is the wage that the modern machine receives for its compensation for producing day in and day out? The machine receives as its wage for the services and labor that it renders, metamorphically speaking, the right to be well oiled, well cleaned, well housed, and better taken care of than the beast of burden in order that the ravages of weather may not disintegrate the highly mechanized machinery.

Now, what are the wages of human beings throughout the length and breadth of our country in agriculture and industry? First, there is starvation wages which cannot keep body and soul together and is less than the beast of burden receives. Second, living wages which just barely keep body and soul together and does not equal the cost of the shelter that the modern machine receives. Third, is the principle involving saving wages, whereby the modern workingman would be able to receive wages that would enable him to save in times of affluence and prosperity for days of adversity and misfortune, which is the fundamental principle motivating our great President, Franklin Delano Roosevelt, and the New Deal, in order to give purchasing and consuming power to the millions of underprivileged and undernourished Americans who are crying and clamoring for a better day in this great and beloved Republic of ours. [Applause.]

Mr. Chairman, the human personality revolts against the identification of machine, cattle, and man. Human labor must not be treated as is the labor of the beast of burden, or of the machine, for they are of different qualities and orders. The machine or the animal is not held responsible for its work for being deprived either of intelligence or consciousness, or of both; it cannot be called to accountability. But man, being endowed with intelligence and moral consciousness, owes responsibility for his labor and its quality to his employer. Consequently, to treat human labor as other labor is treated is not only inhuman but even economically unsound, resulting in strikes, boycotts, and general labor upheavals.

This consideration that man cannot be used as a means, like the machine or the animal, is the main motive animating the labor legislation of wages and hours of the present administration. In conformity with our religious traditions that man has been created in the image of God—that is to say, that he is a spiritual being—the present wage and hour bill seeks to humanize our economic order and raise the standard of life of the American people by—

First. Standardizing a minimum wage by freezing a minimum below which no human being can be exploited, and thus curbing the acquisitive powers of the captains of industry and commerce.

Second. Raising the general economic life of the Nation by a gradual, more equitable redistribution of wealth by increasing through minimum wages a greater purchasing and consuming power of the exploited worker.

Third. Securing greater leisure for the working people through the maximum of 40 hours of work per week, so that working people will have more time to attend to the education of their children, to the improvement of their own knowledge, and to their participation in the spiritual pleasures of life. In times gone by painters and poets, composers and writers created for the select few only. The rich and the mighty alone were the patrons and beneficiaries of the arts and letters, for the masses of people having been used as tools and labor devices were precluded from enjoying the higher pleasures of life that accompanied the beautiful, the good, and the true. It is the ardent desire of our great President, Franklin Delano Roosevelt, that the American people as a whole, and not the select few alone, be the patrons and beneficiaries of the arts and the letters and of everything that is noble and beautiful in life. Such an order of things requires greater leisure time, economic security, and social tranquillity. The vision of our humane President, Franklin Delano Roosevelt, is not so much a satisfied party as a contented and happy American people. [Applause.]

Mr. Chairman, to achieve the objects of the wage and hour bill we must first bring about a standardization of our economic life. This is most important, since it will complete in America the entire economic process from diversity to unity. We have to bear in mind that only five generations ago our Nation consisted of a variety of political and economic units, representing a maximum of diversity and a minimum of unity. Within this short span of time we have become a united Nation. We have produced a civilization of our own, which is the envy of representatives of other civilizations. We have developed a culture of our own which promises to become the culture of tomorrow, largely because it is a fusion and a synthesis of the best and noblest that can be found in all great European cultures of all times. We have marched through the road from diversity to oneness at a much faster pace than any other nation in the Old World. The

tendency toward unity in America must be considered nothing short of miraculous because, in the course of that process, millions of people not belonging originally to Anglo-Saxon nations have been made an organic part of American civilization which is basically Anglo-Saxon. The only missing link in this unity is the economic factor. In the economic field we are still divided. We still represent a house divided against itself. This division will be eliminated and a complete unit established by the adoption of the wage and hour bill. When there will be one minimum wage for every American worker, no matter whether the scene of activity is in the North or in the South, the East or the West, the process of American civilization will be complete. I dare say that President Roosevelt, who is vitally interested in seeing this bill passed, is only completing the work of our great unifier, the immortal Abraham Lincoln. Just as Abraham Lincoln has united the Nation politically so Franklin Delano Roosevelt is trying his utmost to unite it economically. [Applause.] In these trying days unity is more desirable than at any other time. For in unity there is not only strength but hope. A united Nation will be in a better position to weather the storm and to resist diversified forces than a nation divided against itself.

Mr. Chairman, if we fail to pass this bill, we will only be instrumental in continuing the exploitation of millions of workers, condemning them to a life of misery and squalor, and we will create the conditions for the rise and development of destructive forces. When the worker has a minimum of security he is likely to listen to all kinds of agitators trying to capture him for their dubious causes. The satisfied worker is sober-minded, patriotic, and conservative, but the dissatisfied toiler, whose starvation wage is scarcely sufficient to provide him and his family with the most elemental necessities, is just the ideal objective of the agitator and the false prophet.

Mr. Chairman, we often hear reactionaries singing the praise of a feudal order, because in that order the workingman, while deprived of freedom and many liberties, enjoyed a modicum of economic security. Today the American workingman enjoys all the liberty and freedom he desires, but he has no economic security, because he is badly underpaid, and has neither the benefits of feudalism nor the advantages of industrialism.

Mr. Chairman, we are all familiar with the contentions advanced against a wage and hour law, but all these arguments become invalidated by the one simple consideration, that a unified wage and hour law will once and for all do away with unfair competition in our economic life. The American people simply do not care for cheap, exploited labor, and are ready and willing to pay the price for well-paid services.

The shameful commercialization of labor in many parts of our country means that the well-paid workingman is always endangered by cheap labor. The manufacturer who pays his worker a living wage is always threatened by the manufacturers who pay their workers a starvation wage. This is unfair competition, and can be eliminated by the wage and hour law. If we fail to pass this bill, we only punish those manufacturers who pay their workers a decent living wage. Instead of penalizing we should encourage them, and the only encouragement we can offer them is to make this bill the uniform law of the land. A united American Nation wants one basic American economic law and one economic standard.

Mr. Chairman, American labor, like American civilization, must grow organically. It must grow like a plant. The symbol of the American worker is the tree, deeply rooted in the fertile soil, holding its position against all odds, weathering the storms, resisting the winds, and holding its own no matter what comes. Such growth testifies to health, to strength, to creativeness. But, in places where labor is cheap and the worker underpaid, he is always on the go, he is always moving, and is symbolized by the insect and not by the tree. The result is that localities that exploit labor, and treat them as economic slaves, undergo more changes than is good for them, and are interrupted in their development, to assume the character of armed camps, ultimately to be abandoned and deserted because a great section of the population migrated to other places, to look for better labor conditions. Cheap labor is the curse of every community. Well-paid labor is a source of strength and a blessing to every locality.

I have often heard foreigners traveling through our country tell me that there are two Americas, and two American civilizations, one in well-paid sections and the other in poor-paid sections. Their strange impression of our country is primarily traceable to the fact that in one part of our country labor is well paid, and consequently, towns and cities flourish, while in the other section, labor is underpaid, and the demarcation line between wealth and poverty is so sharp that where wealth ends, poverty, misery, and squalor begins. It is this kind of poverty, and the sort of squalor to which there is not any analogy even in the poverty-ridden countries of the Old World, that make us shudder at man's inhumanity to his fellow man. The adoption of the wage and hour bill will remedy these terrible conditions. It will make an end to that misery, suffering, and squalor which are a disgrace to American civilization.

Mr. Chairman, this bill must not be considered from the point of view of party interests, of local economic interests, of sectional, racial, or group interests; it must be looked upon from the point of view of our Nation at large, of the exigencies and requirements of the American civilization, and of the most elementary postulates of ethics. Its adoption will complete the minimum wage economic process that swings from diversity to unity. It will make the unity of our Nation and the American civilization complete and absolute. It will be a source of helpfulness and humaneness to our fellow man in places where labor is cheap. It will prove to be a source of strength in those localities in which the worker is always on the go in quest of better labor conditions. It will remove unfair competition. It will create a minimum unified economic wage standard in America. And it will make the dubious agitators and false prophets superfluous, for it will shut up the sources of agitation, discord, and propaganda, and especially of foreign propaganda, with its variety of isms. The adoption of this bill must therefore be considered an event of great historic significance. The adoption of this bill, Mr. Chairman, will be the greatest patriotic act imaginable, for it will create for our Nation a source of health, strength, and happiness, and will make millions of suffering human beings contented. What greater service can a man do in life than make his fellow man happy?

Mr. Chairman, the Declaration of Independence established the principle that all men being born equal must share a minimum of equality, at least, extending to all spheres of life—political, economic, and social. At the time that great document was composed man had but a vision of equality, the Declaration of Independence becoming a promissory note calling for future redemption. The present administration, in its efforts to emancipate the struggling masses of the American people from the many fetters to which it is bound, and to bring about greater economic equality, merely is honoring a note signed by the founding fathers of our Republic. And the honoring of this note will be completed when the American people will enjoy greater happiness, greater freedom, and greater security. Mr. Chairman, this state of economic justice can only come by adopting the wage and hour bill, which will emancipate millions of exploited, inarticulate, unskilled American workers, who are praying for a better day in this great Republic of ours. [Applause.]

Mr. Chairman, the great prophet Isaiah once said, "And a little child shall lead them." That profound, mystic, occult, and intuitive vision has come down to us through the ages. Asia is the mother of every religion and is the founder of all culture. Europe is the father of all civilization. America is the child. That is the result of the fusion and synthesis of these diversified, continental groups that have come to our country in the past and have made America great, glorious, and prosperous. These same groups are responsible for the creation of the shibboleth and slogan of our Nation and our Republic, "E Pluribus Unum." Out of the diversified many

has come one nation, unified, indivisible, with liberty and justice for all. The passage of the wage and hour bill, with the abolition of child labor forever, will make America "the child" lead all the nations of the world in progress, in culture, in civilization, and in the respect and refining influences it pays to American labor that has made our Republic the greatest in all the world. [Applause.]

Mr. WELCH. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. JOHNSON].

Mr. JOHNSON of Minnesota. Mr. Chairman, this so-called wage and hour bill is just one of the component parts that are included in what you might call a program for social justice in the United States. I really believe that when the history of the administration of Franklin D. Roosevelt is written the outstanding thing to which the historians will point is recognition of the fact he came into office as President of the United States at a time of great stress and disturbance, took cognizance of a great technological change in the country as well as other changes in the various economics of the country, and set forth a program.

One of the speakers today said this bill did not originate with the President but with labor. This may be true, but I believe had it not been for the steadfast hammering of the President on the anvil this bill would not be up for discussion at this time.

For the remaining couple of minutes I should like to discuss one of the aspects of this measure as it affects certain groups of Government workers. Knowing the immensity of the program before the House and the Senate in the last 5 years, I believe this fact has perhaps been overlooked. It happens that the bill now under discussion covers only interstate commerce arising out of private business, whereas today we have in the veterans' hospitals of the United States men who are working as orderlies, diet kitchen workers, laundry workers, caretakers of the various hospitals and others, working as many as 60 to 72 hours a week, for wages of $60, $70, $80, and $90 a month; in addition, these men and women are subject to a rather unfair so-called Q. S. and L. deduction for quarters, sustenance, and laundry whether they actually receive them or not.

If we are suffering today from a maladjustment in the field of labor, if we are suffering from a lack of buying power in the field of labor so labor cannot buy the products of the farmer, this bill should be all-embracing and should cover also the men and women who work for the Government. They should be given the same limitation of 40 hours a week as the workers in private industry. Moreover, the men who are on duty in the various Government hospitals, and there are thousands of them today, are serving men who are sick, men who served their country on the field of battle, and who need extraordinary care.

I really believe that at the proper time an amendment should be offered to this bill, in line with H. R. 10574, which I introduced with 75 cosponsors, to make the bill a little bit more all-embracing and have the Government do in its own field of employment what it asks the people of the Nation to do in their private establishments. It is no more than fair and it is no more than honest that this be done. I believe a 40-hour week for all Government employees is no more than fair, if you are asking the same consideration for the people in the field of private employment.

Those of you who know we are in the midst of a social transition in the United States, regardless of whether you come from the country or the city, can honestly vote for this bill, because after you consider all the other attempts we have made in this country to bring back to the people of the Nation buying power and the right to live, you finally will come to this one show-down, that if the men who work in industry do not have jobs and incomes they cannot buy the product of the farm, whether that product be grains like wheat or corn or a product from the fields of the South, like cotton.

If you are going to bring normal national economics back you have to have legislation like this. You can call it a poor bill if you want to, as some have, but I think the gentlewoman from New Jersey [Mrs. NORTON] and her able committee and the leaders of the administration who have brought it into the House at this time deserve the thanks of everyone who is going to benefit by this legislation. Thanks are due also to the gentleman from California [Mr. WELCH] and those of his colleagues on the Republican side who signed the petition to discharge the committee, and who are lending their aid and support to this measure. [Applause.]

[Here the gavel fell.]

Mr. WELCH. Mr. Chairman, I yield to the gentleman from Michigan [Mr. WOODRUFF] such time as he may care to use.

Mr. WOODRUFF. Mr. Chairman, throughout my 20 years of service in the House of Representatives my record will show that I have never failed on any occasion to support any measure which would genuinely and actually benefit the wage earners.

For 50 years Samuel Gompers, president of the American Federation of Labor, and recognized throughout the world as the greatest labor leader and statesman of all time, preached in season and out against organized labor ever admitting or permitting the principle of governmental control or regulation of wages, hours, and working conditions. Gompers constantly warned that if ever the Federal Government successfully assumed the power of regulating wages, hours, and working conditions in any manner whatsoever, that that power could be extended to the regulation of wages, hours, and working conditions in their entirety.

No one can deny that the same principle which permits the Federal Government to establish minimum wages and maximum hours will permit the Government to establish maximum wages and minimum hours.

That is my principal reason for voting against this wage-hour bill. I consider the introduction of this principle of Federal control to be dangerous to the welfare of labor as well as of industry.

A second reason why I cannot support this measure is that I am convinced that amendments will be adopted in the Senate, or that compromises will be agreed upon in conference, which will permit the reintroduction into this measure of the very objectionable features which the American Federation of Labor opposed. Those objectionable features were all in the Senate bill, and they were responsible for a majority vote of this House to recommit the original House wage-hour bill.

I consider the effort to force this measure through the House as being designed primarily to get it into conference, where some, or even all, the objectionable features of the bill may again be injected into this measure under such circumstances that we will be left with the slim chance of defeating such a conference report.

Every Member of this body realizes that it is immeasurably more difficult to defeat an objectionable measure by refusing to adopt a conference report than to defeat the original measure on the floor.

My third reason for voting against this bill is that it will benefit such a very small percentage of the low-wage, long-hour workers it is claimed it will reach. In all probability not to exceed 2,000,000 wage earners will be touched by the provisions of this bill at all within the next 2 years. If our experience with wage and hour legislation in the past teaches us anything, it is that of those affected thereby a substantial proportion will lose such jobs as they now have.

The fourth reason why I cannot support this measure is because, according to the best analysts who have studied the bill and its probable operation, this measure will not reduce, but will increase, unemployment precisely as occurred under the efforts along this line attempted under the N. R. A.

A fifth reason why I cannot support this measure is that while the bill exempts farm labor, its enactment would create conditions that would make it virtually impossible for the farmer to secure hired help at wages within his reach.

A sixth reason why I cannot vote for this bill is that those who would be thrown out of employment when any particular industry or activity could not meet the requirements imposed by the bill would become a burden upon the public relief rolls.

A seventh reason why I cannot support this measure is that admittedly it will increase the cost of manufactured commodities to both American farmers and American wage earners, as well as all other classes, so that the few additional cents put into the pay envelope will again be taken away at the retail counter.

The eighth reason why I am compelled to vote against this measure is that under the provisions of the National Labor Relations Act, and with organized labor amply able to secure a just and fair settlement of these questions by collective bargaining, labor is able to adjust its own minimum wages and maximum hours.

The ninth reason why I cannot support this legislation is that it represents only another step, and a very far step, toward a planned economy, which is another name for the complete regimentation of the citizens of this Nation under the objectionable regulations of a gigantic bureaucracy. This, in turn, is the machinery of a political autocracy that has never for one moment in the last 5 years ceased to move in the direction of autocratic control and the destruction of our constitutional free Republic.

The time has come when, if this advance toward such a political autocracy is to be stopped, the Members of this and succeeding Congresses will be compelled to have the courage of their convictions and to vote against such measures as this, baited with promises of benefit to labor or to business, but concealed behind the bait the steel trap of centralized power in the Federal Government that would hold the citizen fast in subservience to a political autocracy.

The trap is set. The bait is in place. Its odor is alluring. Its consequences would be ruinous.

Mr. Chairman, American business is still further disturbed by the evident determination of the administration to continue to harass and control all business through the medium of this legislation. We already have 13,000,000 unemployed, and this proposal will add to this number. We have as many on relief today as we have had at any time. Instead of doing the things which inevitably make conditions worse why, in the name of Heaven, do we not lay aside these pending so-called reform measures, at least until such time as a reassured business has taken up a substantial portion of the unemployment slack?

It is not new legislation our unemployed want and need at this time. They want and they need jobs. They are rapidly coming to the realization that jobs are to be had only when the handcuffs and leg irons are removed from private American business.

Mr. Chairman, it is a matter of regret to me that the American Federation of Labor has in this instance been led astray by the political emotionalism of the moment; and I am convinced that when this bill is finally reported back from the conference that the American Federation of Labor, because of changes in the bill then confronting us, will be asking us to vote against the conference report.

Even if the bill were passed by both Houses as it is presented here it still opens the door to a principle utterly dangerous to the independence and welfare of labor and of industry—namely, the power of the Federal Government to interfere in the right of free contract by the employee and employer and to dictate the terms of all such contracts.

Mrs. NORTON. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. DUNN].

Mr. DUNN. Mr. Chairman, as a member of the Labor Committee I am mighty glad to have the opportunity to speak on the wage and hour bill, which was reported from our committee.

According to the Bible, it has been said man came into possession of this earth about five or ten thousand years ago. According to the science of geology man existed about 500,000 years ago. Mr. Chairman, I do not hesitate to say that is too long a time to wait for a wage and hour bill. [Laughter and applause.]

I am positive that if this bill is enacted into law it will accomplish a great deal of good for unfortunate humanity. Sweatshops, child labor, slum districts, and other abominable social evils will disappear.

I have been informed that the Government spends approximately $15,000,000,000 annually to protect society against violators of the law. A great deal of the crime committed is perpetrated by those who come from the slums. If we would eradicate the slums, the Government would not be compelled to spend the gigantic sum for law enforcement against criminals.

The bill which is now before us is a constructive, progressive, and humanitarian measure. It has been said by outstanding labor leaders and economists that if we would enact this wage and hour bill about 3,000,000 persons who are unemployed would obtain employment, and it has also been stated that if we would adopt a 5-day, 30-hour workweek, approximately 7,000,000 persons would be reemployed. We should not hesitate to support legislation which will benefit mankind. Hundreds of thousands of people in our country are being compelled to work 12 and 14 hours daily, 7 days a week, for about 14 cents per hour. Such wages and long hours of employment are rank slavery. The sooner we adopt legislation to correct this damnable and vicious practice the better off society will be.

It is the duty of Congress to pass legislation which will abolish all social evils which are responsible for the unnecessary suffering of its people. Every man and woman who is physically and mentally able to work should have a position and be paid a saving wage. The aged, widows with dependent children, and those who are unable to work because of a physical disability should be provided with an adequate pension. [Applause.]

[Here the gavel fell.]

Mr. WELCH. Mr. Chairman, I yield 3 minutes to the gentleman from Kentucky [Mr. CREAL].

Mr. CREAL. Mr. Chairman, I want to take one sentence to answer in a way the economic philosophy which has been interjected into this debate from time to time by the man who says, "What do you think about disturbing the natural right and the constitutional right of individual bargaining?" I want to say that that is an awful bad thing, and if it had never been disturbed by capital, I do not believe you would have to have any wage-hour bill.

Did you know that every other capitalist fixes the wages of your employees, whether they work for him or not? When you pay him and he goes down the street to get a pair of shoes the price he has to pay for that pair of shoes is fixed by some people in Boston, indirectly fixing your man's wages. When I went in here to get a Coca-Cola a while ago he might have made a profit by selling for 4 cents, but if he undertook to sell that article for 4 cents they would stop it. There is no longer any competition in the factory product. Therefore the capitalist is fixing the wages of the people who do not work for them, and hence the only way to compete with that situation is to fix a bottom limit for wages.

Then they say it is a terrible thing when we undertake with respect to agriculturists to let them limit their production. There is a better system, if the factory would follow it, and when they cannot make a profit of 10 percent would keep on producing and take a profit of 5 percent, or any profit at all, then 2 bushels of corn would still buy what it bought in the old days. However, they will not do this. It might be a better system if everybody would overproduce and sell for what they could get, but one side carefully limits their production, and the only way to meet that situation is by the same kind of business method. For this reason some bottom is necessary for wages and hours.

I wonder how many Members of Congress would be willing to pass a bill providing that the Members of Congress should be selected by the bargain-counter method "What will you serve for?" to be the question.

[Here the gavel fell.]

Mr. WELCH. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. CREAL. I do not think we would be willing to let the job of serving as a Congressman out to the low bidder.

Of the vast millions spent here in wages by the Government, there is only one Government worker who is asked, "What will you do this for?" and that is the old star-route mail carrier. That is the only man in the history of the Government who is employed on such a basis.

With everybody else we fix the price and then bring him in. What I started out to say primarily was that there is one business never intended to be here by any labor group, Mr. Green, or the C. I. O. or anybody else, and that is that this bill will probably affect 4,000 weekly county-seat newspapers, because of about a 2 percent circulation that goes into different States, thus putting them in the interstate commerce class. This bill was never meant to reach those people. Every other piece of interstate commerce product is governed by the national or even international market. That is not true in that case. It is governed by the amount of population of the town, the county seat, or the county. At the proper time I expect to offer the amendment which was adopted in the other bill exempting the county weeklies, as they were never intended to be included by the labor leaders to go into this bill.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. WELCH. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. MOTT].

THE WAGE AND HOUR BILL

Mr. MOTT. Mr. Chairman, every Member of the House, I presume, vividly recalls the prolonged and bitter fight that was made to recommit the wage and hour bill, so-called (S. 2475), which was considered in the House at the last special session of the Congress. The whole country, for that matter, will remember the debate which for 4 tense and anxious days held the attention of employers and employees alike throughout the Nation. In my opinion, it was due entirely to the complete success of the fight then waged on the floor of this body by the opponents of that bill that the House is privileged at this time to consider a wage and hour bill that is really worthy of consideration.

Although the bill which comes to us today for debate bears the same title and number (S. 2475) as the one which we recommitted to the Committee on Labor on December 17, 1937, there is no similarity whatever between the bill that was then recommitted and the bill we now have before us.

That bill, the special-session bill, was not a wage and hour bill at all. It was nothing but a bald piece of deceit masquerading under the name of a wage and hour bill. It was a bill the real purpose of which was to put the effective control of both industry and labor into the hands of the Federal Government.

It was a bill which was not made in the Congress. It was a bill made entirely in the Executive Department of the Government. It was a bill the real authorship of which was never disclosed to any Member of the House, but which, according to common belief at the time, was the brain child of either Ben Cohen or Tom Corcoran, or both. The Congress was not even consulted in the making of it, but it was sent into the House and Senate ready-made under orders from the other end of Pennsylvania Avenue to pass it.

Mr. Chairman, I have before me the CONGRESSIONAL RECORD of December 14, 1937, and in connection with what I have just said, I wish to read an excerpt from the conclusion of my remarks in the debate in opposition to that bill upon that day. I said:

> Mr. Chairman, in my humble and sincere opinion this bill is a fraud. It pretends to be a wage and hour bill. It pretends to establish minimum wages and maximum hours for the benefit of the worker. Instead of that, it does nothing for either employer or employee except to put them both under the heel of the most absolute and autocratic bureaucracy that any piece of legislation has ever attempted to set up in this country.
>
> If this Congress wants a wage and hour bill, and for my own part let me say emphatically and unequivocally that I believe that honest, mandatory wage and hour legislation is necessary, and that I have always consistently advocated it, let us vote for an honest bill. Let us vote for the Dockweiler bill, which has the endorsement of labor and of the country generally, which actually establishes a minimum wage and a maximum workweek, which prohibits child labor, and which is to be offered as a substitute for this bill. If the Dockweiler bill should be held to be not germane, then let us vote to recommit this bill and demand that the Committee on Labor report to us a mandatory wage and hour bill, one that we will not have to apologize for or be ashamed of, one that meets legitimate desires both of labor and of industry, and one that is drawn with at least some regard and respect for the plain provisions of the Constitution of the United States. For that kind of a measure, Mr. Chairman, I believe there exists a real necessity and a real demand and I trust that upon recommitment of this bill to the Committee on Labor we will be given an opportunity to vote upon such a measure. [Applause.]

Mr. Chairman, the proposal which was then before us under the false label of a wage and hour bill was recommitted by the House. It was recommitted by a bipartisan vote, approximately one-third of the majority party joining with virtually the entire membership of the minority party in sending that bill back to the Committee on Labor.

Now, the Committee on Labor has wisely heeded the mandate of the House as expressed in the recommittal vote. By that vote the committee was given to understand that if it expected favorable consideration by the House of a wage and hour bill it must report out a mandatory bill, naming a definite minimum wage below which no employer should be allowed to go in compensating his workmen for their labor, and a definite maximum-hour week above which no employer should go in requiring his employees to work. The House by that vote also clearly indicated that it would not consider a wage and hour bill which did not provide proper and definite exemptions for agricultural and seasonal industry and for other industry which, by its nature, could not properly come within the provisions of wage and hour legislation.

Mr. Chairman, the Committee on Labor, in my opinion, has now brought in such a bill. The bill we have before us today from that committee is not as good a wage and hour bill as I would like to see. I think the wage floor is too low and the hours ceiling too high. It is not as good a bill as the Dockweiler bill, for example, which was endorsed by the American Federation of Labor and by the workers of the country generally, and which was not seriously objected to by the more progressive and far-seeing employers of labor.

But, Mr. Chairman, the bill now before us is at least a mandatory bill. It is at least an honest bill. It actually establishes minimum wages and maximum hours. It was not made in the Executive Department of the Government. It was made in Congress, where all Federal legislation should be made. It is self-executing. It is a simple mandatory law which everyone can understand. It eliminates entirely all of the offensive features and provisions of its predecessor which we recommitted at the special session. It gives no discretionary authority to any board, administrator, or other agent of the Executive. It contains simple and direct provisions for proper exemptions. And although, to begin with, at least, I think the wage minimum is too low and the hours maximum too high, yet it provides for a gradual and mandatory raising of the wage floor and a lowering of the wage ceiling for a period of 4 years, so that at the expiration of that period the bill will become to all intents and purposes the equivalent of the Dockweiler bill.

And so, Mr. Chairman, I shall support the bill, because in the main, and in principal, it meets the requirements I outlined in debate on the wage and hour bill which was recommitted at the special session of Congress. The bill, I think everyone agrees, is in need of some amendment, but I understand that the principal amendments which are to be offered are not objected to by the Committee on Labor.

Before I conclude, Mr. Chairman, I would like to say this: The House, by its vote to recommit the original Senate bill and by its vote which will shortly be cast to pass the bill now before us (which technically, of course, is an amendment to the original Senate bill, although there is no similarity between the two has plainly shown to the Labor Committee what kind of a wage and hour bill it wants and

it has just as plainly shown to that committee what kind of a wage and hour bill it will not tolerate. Let us remember that when this bill is passed and when it goes to conference. Let us not forget that the House conferees have a mandate from the House not to permit the Senate conferees to restore any of the objectionable features of the original bill which the House has already objected.

If the House conferees should recede from the position the House has taken in this regard, and if they should concur in any of the proposals of the original bill which put the regulation and control of hours and wages under the discretionary jurisdiction of an administrator or board, appointed by and removable at the will of the Executive, then it should be the duty of the House to refuse to adopt the conference report and to send the bill back to conference with instructions to the House conferees to insist upon every material provision of S. 2475 as it was amended by the House Committee on Labor and as it will be passed by the House upon the conclusion of this debate.

I say this now because I know that the position taken by the Senate when it passed S. 2475 and sent it over to the House is the same now as it was then. I mean, of course, the position taken by the majority of the Senate. The Senate is not going to recede and concur in the House amendments without a struggle and when the bill comes back from conference the House should stand by its guns and be prepared for the struggle.

In the meantime, Mr. Chairman, the bill now before the House is the immediate business of the House. And, furthermore, it is the immediate and exclusive product of the House, notwithstanding it still bears its original Senate number.

I am glad, at last, to have the opportunity of supporting a real mandatory wage and hour bill, which this bill is. I congratulate the Labor Committee and its distinguished chairman, the gentlewoman from New Jersey [Mrs. NORTON], for bringing to the House a bill of this kind, a bill, as it stands now, really made in Congress by herself and her able committee, and it is a pleasure now to be able to say to her that I intend on final passage to vote for it. [Applause.]

Mrs. NORTON. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. WOOD].

Mr. WOOD. Mr. Chairman, in the light of our experience in the past 9 years, 4 without any program at all, and the last 5 with a real program, it ought not to be necessary for us to be discussing the feasibility of the passage of a wage-hour bill today. To my mind this is the most sensible, the most logical, the most understandable, and the most workable bill that has been presented to this House with reference to wages and hours. I think it is the most important piece of legislation that has been presented to the Congress.

Since I came here on March 4, 1933, the administration of the Government under the leadership of Franklin D. Roosevelt has performed a wonderful task. In the past 5 years many, many constructive measures have been enacted into law, some permanent, others emergency measures. All of them have played their part in bringing this country out of the throes of depression. The effect of these measures has brought order out of chaos and brought us from the black depths of misery and despair to the place where confidence has been instilled in the hearts of the people of this Nation, confidence in this administration, and confidence in the Government itself.

Among those measures was the National Recovery Act, designed to elevate standards of wages and lower the hours of labor, thereby spreading employment. It abolished child labor and through the codes of fair competition enabled the employers of this country to eliminate cutthroat competition. Since the voiding of the N. R. A., as you all know, it is a matter of history, a matter of common knowledge, that wages have been rapidly reduced and hours have been stretched. In some instances we have gotten back almost to 1932 cutthroat competitive practices. At that time the employers of this Nation told our Committee on Labor and other committees of the Congress that unless something was done by this administration these practices would destroy the people.

It is very singular that under N. R. A. the southern cotton-textile mills, whose employees were raised from an exceedingly low wage to a minimum of $11 to $12 a week—$11 for women and $12 for men—it is indeed remarkable that through all of that period there was not a garment factory, to my knowledge, or a single cotton-textile mill closed in the South, or in the North, either. Wages were increased, hours were shortened, business became better through the elimination of the chiseler and cutthroat competitor. The N. R. A. was a godsend to this country. After the voiding of the N. R. A., we passed the Wagner Labor Relations Act, and that supplanted section 7 (a) of the N. R. A. that was declared unconstitutional.

Since that time we have not been successful in enacting legislation to take the place of the codes and the fair competition provided under the N. R. A., which regulated wages and hours. The result, as I previously stated, has been reduction in wages and the lengthening of hours.

Mr. Chairman, we have had before this House in the past 5 years every type of wage-hour bill known. In the last special session we had our choice between three types of legislation. There was an amendment submitted as a substitute. The House had the choice between administration of this law by a board or bureaucracy or administration of the law by one administrator in the Department of Labor or administration of the law by the Department of Justice. When that bill came from the committee it was replete with exemptions. It was loaded down with exemptions and differentials.

When the bill came to the floor of the House many objected to the bill because it had no minimum, and really it did not. It regulated the wages up to 40 cents an hour, a ceiling, and regulated hours down to 40 hours, a floor so far as hours are concerned. I agree that this bill is the reverse. We had an opportunity to vote on the substitute in the last special session, which put a floor on wages, a higher one than this, and a ceiling to hours.

A member of the Rules Committee told me, "If you will bring out a bill that is clear, concise, and understandable, and stripped of all its verbiage, with a 30-cent minimum, I will vote for it." But he has not voted for it yet. As I said before, I think this bill is pretty well understood by every Member of the House. We have discussed this matter pro and con for 3 or 4 years. I do not think it is necessary for any Member of the House to get up on the floor and say that he is just as good a friend of labor as anybody, "but I am opposed to certain features of this bill." If we are going to pass wage and hour legislation, let us pass this bill in its present form. Do not load it down with exemptions or differentials. If we get into the realm of differentials and exemptions, we will not know what kind of a bill we have passed. The way to establish a wage and hour principle, in my opinion, is to vote for a bill which is clear and concise, one that can be understood by any reasonably intelligent man.

This bill does start with a 25-cent minimum, which is too low as far as I am concerned, but there are no less than 5,000,000 wage earners in this country today working for less than 25 cents an hour, some of them for as low as 5 cents, 10 cents, and 15 cents an hour. The principal purpose of the pending bill is to put a floor under wages in order to eliminate this cutthroat competition which destroys the living standard of the higher paid as well as the substandard wage earner. That was clearly demonstrated in 1932 and 1933. It was the cutthroat competition, low wages, and long hours that was affecting the whole country.

The President of the United States has sent some seven messages to this Congress urging and imploring the Members of Congress to pass a wage and hour bill with a floor under wages and raise the American standard of living. I believe this House will pass the pending bill by an overwhelming majority. I hope the Members will not permit the opponents of this measure to destroy it by amendments, like they did

last time. Load this bill down with amendments and you will cause the bill to be recommitted.

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. WELCH. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, I do not know that anything which I may offer in this debate on the wage and hour bill will materially change the opinion of the opposition or of my friend [Mr. MAPES]. I do, however, want to discuss the subject matter as to the effect on our Michigan industries; and this, after all, is most important to my people.

The bill which the administration advances in the House for consideration is one which will not have any direct or immediate effect upon 97 percent or more of our Michigan employers and employees. This bill provides for a minimum wage of 25 cents per hour and a maximum of 44 hours per week. Progressively for a period of 3 years the basic wage scale or minimum will be increased at the rate of 5 cents per hour, thus attaining a minimum wage at the end of that time of 40 cents per hour. The 44-hour ceiling will be brought down to 40 hours within 2 years. It was said that the 40–40 provision as originally proposed in the bill which was recommitted would not affect Michigan's industries and Michigan's employees to any great extent, possibly 2 or 3 percent. This modified bill, therefore, could not possibly apply even to this small percentage.

I am for the wage and hour bill and hold uncompromisingly to the principle within it which seeks to correct abuses by employers who cling tenaciously to what they claim as their right of peonage and exploitation, and I am proud to add here and now that this charge of exploitation and peonage does not apply as a general rule to our Michigan industries and employers.

It is because I want to be helpful to Michigan's industries and the country as a whole, because I want to add stability to our banks, our homes, our churches, and public institutions, and because, above all else, I want to make secure the high standard of living based on compensation of our Michigan workers that I favor the wage and hour bill.

This measure is directed against the unscrupulous and unyielding exploiter of the workingman wherever he may ply his nefarious trade within the boundaries of the United States. The abuse of labor is not confined to any one section, although it may be worse in one part of the United States than in another.

The map of the continental United States is pockmarked with localities and areas involving entire States where conditions are intolerable, and where it is said that industry cannot adjust itself to a higher standard.

This attitude is unjust, unfair, and cannot be condoned by right-thinking people, and the constant appeal to allow more time for adjustment is without justification. They will never voluntarily adjust these industries to better, higher standards, meantime their actions may result in the undermining of the higher wage and living standards in such progressive States as Michigan. In fact, this enslavement of labor in the backward States has already handicapped Michigan's industries and impaired the happiness and destroyed the confidence of our workers, and through it all retarded business, slowed down credit, to say nothing of the detrimental effect upon the banks and community life in general.

When we read advertisements in national magazines, covering double-page spreads, costing thousands of dollars, bearing the signatures of eight or nine Governors of their respective States, which call attention of employers and industrialists of the North to the fact that they can move their plants to the particular locality referred to in the advertisement and save money because of the availability of cheap labor free from labor troubles, offering as an additional inducement exemption from taxation for a period of many years and free land grants, then it is time for us to take notice.

It appears to me that Michigan industrialists, manufacturers, and employees would be of one mind when it comes to the question of maintaining or raising the standard of living for humanity in large and populous sections of the United States, if not for humane reasons, then for selfish reasons.

Frankly, I cannot understand the philosophy of employers in my State who stand opposed to the wage and hour legislation, which will protect their industries and the investment in these industries against the burrowing of industrial termites.

I know only too well the sapping effect of this parasite upon the majority of our industries. I remember when the city of Detroit, industrially, was the largest producer of quality overalls in the world; the largest and oldest among these was the Hamilton Carhart Overall Co. Then there was the Finck Detroit Overall Co. and the Larned-Carter Overall Co., and maybe others. You will find that all of these concerns were forced, in the face of unfair competition, to move to the Southland. Labor conditions and wages in these plants were based on a broad and generous policy, but this basis has no doubt been impaired if not completely destroyed since this industry en masse left the confines of the city of Detroit. If you will go with me to Trumbull and Michigan Avenues in Detroit, you will find that what was once a teeming, busy industrial plant is now but a bat roost.

The overall industry is not the only one that found it could not compete with the cheap and exploited labor in other localities. At one time Detroit was the second largest producer of cigars in the world, but for the same reasons this industry too was lost to Detroit; and we need not stop there. Even the automobile industry has built factories in certain southern cities for the production of parts because cheap labor was available, and such labor as has been employed heretofore in Detroit is now being engaged elsewhere.

This burrowing beneath our Michigan industries certainly has a detrimental effect, not only upon the industries but also upon the real-estate business, the values of homes, upon the banks, and even upon the neighborhood church. Our employers cannot compete against unlimited, uncontrolled, cheap labor—especially so where the curse of child labor exists. I cannot agree that this legislation is objectionable or unfair to any section. The only detrimental effect following enactment, as far as I can see, will come as a result of the determination on the part of die-hards to resist the law, and the adoption of an attitude of noncooperation even if the legislation is intended to be helpful. This is a philosophy of desperation and destruction which I cannot understand and which I conscientiously believe to be sinful, wrong, and un-American.

Michigan's industries pay higher wages than the minimum stipulated in the act, and our employers work their employees as a rule a reasonable number of hours. I fail to see why other States cannot follow this good example.

More than that, I cannot understand why an element of our Michigan employers rated above the slavetraders will plead for the maintenance of a damnable system which threatens their own very existence unless it is that an outlet is desired in case moving or transfer is intended. Such outlet should be blocked. Such an avenue of escaping fair obligations to labor and to a community should be eliminated. This legislation will not, however, prevent decentralization of industry, it will not restrict the right of an industrialist to move his plant but it will equalize costs of production so that moves and decentralization will not be induced by cheap labor and conditions bordering upon industrial slavery. I can understand these objections emanating from affected areas where some of the feudal lords still insist that there should be no invasion of their right to exploitation within their own domain, and while I disagree with their objections and philosophy, sharply, definitely, and uncompromisingly, yet, I can be more sympathetic and tolerant to such objections than I can to the evident similar objections coming from an employer within the State of Michigan or other high-wage-paying States.

This legislation will not only add security, stability, and happiness to the workingman but will give security, stability,

and added profits to industry. It is not a one-sided or a lop-sided piece of legislation and its objectives are sound.

I remember the late Judge Elbert H. Gary stating during the great steel strike that the steel industry could not under any circumstances work less than 7 days a week and I believe at that time employees in this industry were working 12 hours a day. Well, today the steel industry seems to be able to get by on a 40- or 44-hour week, employing more men than ever when business is good and showing greater profits.

The interchurch movement and public sentiment reinforced by the just demands of labor corrected the situation in the steel industry but this great and established industry was forced to capitulate only under duress.

The wage differential existing between two given parts of the United States makes it mandatory for the employers in higher-wage-paying States, in order to meet the unfair competition, to either reduce the salaries paid to the producing workers or to move their plants to the competitors' cheap-labor market. The alternative to this would be to bring about the raising of the wage and hour levels in the backward areas to meet the higher standard. The wage and hour legislation will level off these inequalities through the constitutional control of interstate shipments. Our Michigan goods will be shipped everywhere without restraint, but the movement of goods produced by peonage and child labor will be restricted by the law.

Clothed in respectability, the exploitation and enslavement of immature children is abroad in the land. It thrives in the most advanced sections of the country. It is the lowest form of prostitution on earth and should be wiped out by civilized society. Industrial panderers should not only be estopped forthwith but penalized by law to the point of extermination. Of all times when job competition of this sort should be eliminated, the present is most distressing. Microcephalic employers bent only on profits, with hearts of rodents and devoid of all human kindness, will insist upon their "constitutional rights" and "due process." I would give them their "rights" and plenty of "lefts," process or no process.

There is about as much reason to arguments against this legislation as there might be to the insistence of unrestricted sale of prison-made goods in competition with free labor.

The wage and hour bill if accepted in the right spirit should be a godsend to the employer and the employee not only in the higher-wage-paying States but in every part of the United States. Its passage is inevitable and its constitutionality unquestionably will be sustained. [Applause.]

Mrs. NORTON. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Chairman, while I realize the good faith of these gentlemen who are espousing this bill, and the humanitarian motive that our great President, to whom all have paid tribute, has in his heart, yet I cannot but feel that every word said in advocacy of the passage of this bill today is aimed at a symptom instead of the disease! How, in God's name, can they stand here and plead for the passage of a bill which gives to only 1 in 25 a wage of 25 cents an hour and exempts five times as many American laborers who work for one-fifth of that amount or less? I refer to the American farmer.

Everything in this bill except the child-labor part, which everyone favors, is as "cockeyed" as the reference to the lady who insists on being called "Miss Frances Perkins" as "he."

The Honorable JIM MEAD, bless his heart, says: "Make New York prosperous, and that will give the South a market for its cotton, and the Middle West a market for its wheat and corn." That is the philosophy back of every bit of this sectional legislation, "make us rich, fill our buckets to overflowing, and a drop or two of prosperity will eventually drip down upon the rest. Make us rich and that will give you a market for your cotton and your corn and your wheat." But at what price? At the price they fix. The American farmer is the only man living who has never had one word to say about the prices the products of his brain, brawn, sweat, and blood have brought in the market. JIM MEAD's folk fix the price of everything they sell from a plow point to a reaper or a mowing machine, from a shoelace or a box of breakfast food, to an automobile.

The prettiest vacuum cleaner, that has sucked every dime out of the pockets of the American farmer since the year 1, is in beautiful working order. "Make us rich." That is exactly what the system has been doing, is doing, and will continue to do. They do business behind a tariff wall that adds 45 percent to the cost of everything the unprotected farmer has to buy. Alexander Hamilton said that was stealing, and he ought to be a pretty good authority for Mr. HAMILTON FISH, who stood up here and said to the South today, "We will give you 3 years to get your house in order, and if you do not do it by that time we will take other means!"

[Here the gavel fell.]

Mr. HOBBS. I appeal to the distinguished lady, the chairman of the committee; I was promised 10 minutes.

Mrs. NORTON. Mr. Chairman, I yield 5 additional minutes to the gentleman from Alabama.

Mr. HOBBS. Thank you so much.

Mr. COX. Mr. Chairman, will the gentleman yield for an observation?

Mr. HOBBS. Certainly.

Mr. COX. This campaign of discrimination against the weaker member, industrially and politically, will mean that that section at some future time will be forced to close its gates against the admission of the goods that come from these other sections, which will bring them to their knees.

Mr. HOBBS. In addition to the 45-percent robbery which is practiced by means of the high protective tariff wall—and the farmer has never had any protective tariff wall or any benefit of that kind whatsoever—the American farmer has had to pay an average of 39 percent discriminatory robbery in freight rate differential; and nobody can dispute that, either. The machine goes merrily on. They rob us with the tariff wall—and I mean the farmers of the West and South alike—and they rob us with discriminatory freight rates. They say, "By all means, make us rich, us industrial barons, and then we will give you a market for your farm products—of course, at our own price. Have you never heard of the crumbs that fall from the rich man's table?"

I said in the last debate on this question that the real aim of this bill is nothing less than to put the American citizens, of the West and South alike, back where the industrialists—who have consistently robbed us—believe we ought to be, and to make us stay there, looking at the east end of a westbound mule, on the farm, producing the raw product so we can send it up there and have it manufactured and pay four prices for it on its return!

Mr. FLETCHER. Mr. Chairman, will the gentleman yield for a question?

Mr. HOBBS. I yield to the gentleman from Ohio.

Mr. FLETCHER. The gentleman states that the industrialists have been able to exploit the farmer. Is it not true that the industrialist is opposing this bill? He is not offering it.

Mr. HOBBS. I believe that is exactly where it is coming from, and I appreciate that question. I think that is exactly where it came from. These good people who are pleading the cause of "humanity" here, are being absolutely fooled into playing the fiddle of the group to which I referred and about which the gentleman now asks. The proponents are representing organized and entrenched industrial capital—not labor.

The point I wish to drive home is that there is today a great disparity between the income of the farm laborer and the farmer, on the one hand, and of the industrial workers on the other.

The distinguished Secretary of Agriculture will tell you there is no hope, not even under the new farm bill of 1938, with all its benefit payments, of raising the income of the American farmer, and farm laborer, up to one-half of what the industrial workers' income already is. I want you to get this. I am talking sense. Even taking into consideration

the living which the farmer gets off his farm, his average income is still less than half the average income of his fellow worker in industry. I maintain that until there is parity of income, between the workers in American agriculture and American industry, we ought not to raise the income of that group which is now getting an income more than twice as large as that of those in agriculture. We ought not to increase the disparity which exists at present. We ought to raise the average income of farmers to a parity with those who work in industry, immediately, and then raise the income of all.

Mr. FLETCHER. If what the gentleman states is true, then why are the industrialists opposing this bill?

Mr. HOBBS. Southern industrialists are fighting for life, the life of their infant industries. Northern industrialists are not opposing this bill. They "daddied" it, and are pushing it to destroy all industry of the South. The only thing they think we can do in the South and West, the great agricultural areas, and the only thing they think we should do, is to produce the raw product and ship it to them to be processed and sold back to us from behind their high protective tariff walls and unjust, discriminatory, freight-rate structures. So, they can continue to coin the sweat and blood of the teeming millions on our farms, five times as many as they even claim will be benefited by the provisions of this bill.

There are many, many reasons why this bill should not pass. Thinkers in every State of the Union are advancing them daily. In today's New York Times is a thoughtful article by Mr. Leo Wolman, a recognized authority:

MINIMUM-WAGE LAWS ARE FOR STATES—BUT ANY LEGISLATION OF THIS CHARACTER IS REGARDED AS BAR TO TRADE REVIVAL AND REEMPLOYMENT

To the EDITOR OF THE NEW YORK TIMES:

Everyone will agree that the most pressing problems of this country today are the persistence of a severe depression in business and a high and probably increasing rate of unemployment. Upon the solution, or mitigation of these problems depends our ability to deal satisfactorily with related problems of expenditures for relief, burdens of taxation and, indeed, our whole fiscal policy. Everyone will probably also agree that the adoption of economic policies at this time that may be expected to hinder the recovery of business and to add to our already large army of unemployed will amount to a grave disservice to American industry and its employees.

For some years now we have put all of our faith in a simple and plausible measure of reform and recovery. With great persistence and by a variety of methods, the Government has undertaken to increase the purchasing power of American labor. One of the foremost devices it has used to effect this purpose is raising the rate of wages or the price of labor. Under the influence of this belief, frequently and emphatically advocated by influential persons, many have become persuaded that along this path lie more stable business, fuller employment, and a more equitable distribution of income.

STEADILY MOUNTING WAGES

It is probably rare in economic history that a doctrine has been more effectively exploited than this one. The combined resources of Government, organized labor, and public opinion have been directed toward raising wage rates. Since 1933, consequently, wages have steadily mounted so that they now stand at their highest point for all time.

Some idea of the size of this increase can be had from the movement of wages of factory employees. In March 1938 the average hourly wages of factory labor were nearly three times their amount in 1914. Meanwhile the cost of living had increased by no more than 40 percent. Put in another way, the real hourly earnings (money earnings adjusted for changes in the cost of living) of factory employees in March 1938 were 100 percent greater than in 1914, 60 percent greater than in 1920, and 40 percent higher than in 1929. These are impressive figures, difficult to duplicate in any earlier period of so short a duration. They are, moreover, not peculiar to manufacturing industry. And they mean that we have ascended to a substantially higher level of real wages than has ever before prevailed in this country.

UNSOUND POLICY

In the face of this record it is hard to see that much of a case can be made for the doctrine that has so dominated our recent policy. The considerable advance in real wages has clearly failed to accomplish its purpose. Even at the peak of the last period of business expansion the volume of unemployment was exceptionally large, and since last summer it has again almost doubled. While no doubt a variety of forces may be held responsible for both the continuing unemployment of 1936–37 and the obstacles to recovery at the present time, the conclusion is inescapable that an unsound wage policy is one of the most potent of them. If this is so, American workingmen can hardly be said to benefit from a policy that has contributed to keeping a substantial proportion of them wholly or partially unemployed and to reducing the aggregate pay roll of industry.

Now that the business of this country is in deep depression and existing wage levels are, with few exceptions, successfully resisting adjustment, we propose to make matters still worse by legislation designed to raise the rates of wages of many hundreds of thousands of employees. Yet this is the purpose of the fair labor standards (wages and hours) bill now awaiting action by Congress.

Although the supporters of this legislation like to make us believe that this kind of law will have only a limited application because it undertakes to raise the wages of only the lowest paid employees, there are two considerations which they fail to mention. The one is that a minimum wage cannot be fixed without upsetting existing wage differentials and forcing a scaling up of wages of all classes of labor. The second is that the bill provides for schedules of maximum hours. In the present temper of labor, it will prove impossible to reduce hours of work without at the same time granting proportionate increases in wage rates.

The numbers affected by the law, therefore, are likely to be substantially in excess of current estimates. If this bill is enacted, it will be raising wages at a time when they are already abnormally high, when there is good reason to believe that prevailing wages are contributing to the unemployment rate and the difficulties of recovery, and when heavy industries to which the minimum rates may be expected to apply cannot afford to assume any heavier burdens than they are now carrying.

Aside from the purpose of this bill to establish minimum rates of pay, it has, perhaps, a more important purpose of equalizing wages throughout the United States. In this respect the provisions of the bill are directed mainly against the industries of the South that are believed to possess an unfair competitive advantage over other parts of the country. In supporting this purpose, advocates of this measure fail to take into account the long-term movements of southern wages and the conditions prerequisite to a rising wage level.

SOUTHERN PAY UP

Over the last several decades wages in the South have increased with the growth of capital in southern industry and the improving efficiency and productivity of southern labor. The estimate may be ventured that average hourly earnings of factory labor in the South is at this writing in excess of 50 cents an hour.

Considering the stage of development of industry in the South and the composition of their labor force, this cannot be considered a low rate. Average wages in the cotton-goods industry of the South are now about as high as they were in 1920; they are more than three times the 1914 rate; and they exceed that rate of 1928 by about 11 cents an hour. The North-South differential in this industry also is much smaller than it used to be, having declined from an excess of northern over southern rates of wages of 61 percent in 1924 to 26 percent in July 1937. While this differential is somewhat higher than that prevailing during the N. R. A., it is not excessively so.

The wage and hour bill is no doubt the product of good motives and a desire to raise the labor standards of American workingmen. But when its most probable effects will be loss of employment and further delay in the necessary adjustment of wages to business conditions, the wisdom of pushing such a measure may well be questioned.

If we are to have minimum-wage legislation in this country, it is the wiser policy to depend on State legislation, drafted and administered by persons close to the local situation and familiar with its problems. If also we desire legislation of this type, Federal or State, it is well for everyone to know that raising the rate of wages is no magic formula, that it will on occasion throw people out of work and keep others from being employed, and that regulated and uniform wages remove one of the most potent forces for breaking the log jam of depression and initiating revival and reemployment.

LEO WOLMAN.

NEW YORK, *May 21, 1938.*

In the same paper is the following editorial:

TO MAKE IT WORKABLE

We have frequently expressed the opinion that the proposed Federal wage and hour bill, scheduled to come before the House for debate today, is unwise—that its tendency will be still further to raise production costs, to retard recovery and to intensify unemployment. We print on this page today a letter from Leo Wolman, one of the foremost students of labor problems in this country, which presents an impressive economic argument against the bill. Unfortunately, it does not seem likely that the question will be decided in the present Congress on economic grounds. It seems altogether probable at the moment that it will be decided by political considerations, by emotional slogans and plausible formulas.

The House wage-hour bill has the simplicity and directness of a campaign document. It provides at the end of 3 years for a minimum of 40 cents an hour pay, in all sections and in all interstate industries, and a maximum of a 40-hour standard week. This 40-40 formula has such political neatness and charm that it will not be easily abandoned merely because of awkward practical consequences.

We do not believe that any amendment to the House wage-hour bill would make it economically acceptable. The problem is one

which, by its very nature, can be satisfactorily dealt with only by State law and close study of local situations. But on the assumption that the House wage-hour bill in its main outlines is destined to be passed in any case, it is important to ask what amendments would be necessary to remove or reduce its more dangerous possibilities.

There are several such amendments. The most essential is one that would substitute for the blindly automatic character of the present bill's standards special study and reasonable administrative discretion. This need not and should not take the form of a permanent five-man labor standards board with the sweeping powers provided in the Senate wage-hour bill passed last year. It should follow the procedure incorporated in the overwhelming majority of existing State minimum-wage laws—the appointment by an administrator in the Labor Department of special boards in each industry, composed of representatives of labor, employers, and the public, to investigate the particular conditions in that industry and to make recommendations for the administrator to adopt. The minimum-wage and maximum-hour standards of the present House bill, for the first 2 and succeeding years after its passage, might be retained as the extreme limits within which legal changes could be ordered. This would make it possible to exercise caution where the facts of an industry obviously made this desirable. It would also make it possible to introduce flexible sectional differentials in wages.

Whether or not such an amendment were incorporated, another amendment should be considered which, while not in itself removing the purely automatic application of the proposed minimum-wage and maximum-hour standards, would at least guard us from acting entirely in the dark. In the House bill as it stands, the Secretary of Labor is directed immediately after passage to determine which industries affect interstate commerce and to order them to adopt the wage and hour standards within a period of not more than 4 months. Instead of this, the bill could provide that none of the proposed wage-hour standards should be imposed before the end of the present calendar year; but that the Secretary should meanwhile determine the industries affected by the bill, and that all firms in those industries should as of a given date report the number of persons on their pay roll receiving less than 25 cents an hour, and those receiving less than 30, 35, and 40; with similar reports regarding hours above the maximums fixed in the bill. In this way we could learn before the standards went into effect how many persons would be directly affected by them, and in what sections, industries, towns, and firms these persons were. We would then be in position to determine the scope and incidence of the measure and to trace its effect upon the particular workers involved.

The criticisms of those who have argued that the wage-hour bill would put many of its intended beneficiaries out of work have been ignored by the advocates of the measure. But if those advocates are so confident that these criticisms are baseless, they should welcome all the statistical light possible on the measure's effects on marginal workers. It is a strange fact that those who have talked most of "social experiment" in recent years have been least interested in tracing the exact results of their experiments, though this would be the very first concern of any scientist.

While organized labor is supporting this measure it will affect few, if any, of its members directly or immediately. But in the long run it will affect, and adversely, the interests of all organized labor.

It is certain that the enactment of any such bill will result in the closing of many plants, which, for various and sundry reasons, will be unable to survive any wage increase or decrease of hours. This would mean increased unemployment and the reduction of the number of jobs, which, while not attractive, yet now provide a living, such as it is, for many of our fellow citizens.

Another inevitable result would be to penalize the skilled for the benefit of the unskilled, by a general leveling down of the wages of the skilled to meet the necessity created by the increase of the lowest wages caused by the minimum-wage requirement. The experience with just such measures, not only in ancient but also in very modern history, proves the truth of this assertion. The skilled workers in Russia, Italy, and Germany today bear mute testimony that this byproduct cannot be avoided, and that the average of all wages is not raised by fixing a minimum.

Another effect which would surely follow would be the stimulation of the trend toward mechanization of industry. Machines would still further add to the number of the unemployed. Thus the evils of technocracy would be multiplied.

But over and above all these dire consequences would come, as certain as night follows day, the abolition of the principle of collective bargaining and the doom of all organizations which exist for the benefit of labor. Labor's cause, in every case, if any such bill should become law, must be submitted to political despotism for determination—no amount of pleading by its own chosen spokesmen could change the edict of the dictator. His decrees would be governed only by the political complexion of the administration under which he might be serving.

The vast majority of you are so determined to pass this bill, however, that I doubt if any of these arguments will change a single vote. They have been advanced in the hope that they may serve as a background for the final appeal I am now to make. This final appeal is to your enlightened selfishness. Even if you care not for the wreck and ruin you are threatening to cause; even if you have forgotten the Golden Rule and the fact that we are supposed to have here in our great Nation a sympathetic sisterhood of free and equal States, bound together in indissoluble union for the common good; nevertheless you should not hurt yourselves in order to hurt us!

The crying need of industry everywhere is of expanded market demand—more purchasing power. Give the Cotton Belt parity, either in prices for its products or in income, and you have strengthened and expanded that market by the infusion of a new buying power of an added billion dollars a year. Parity prices for cotton and cottonseed alone last year would have added $1,000,000,000 to what the farmers got for those two products.

Add another billion to farm purchasing power by giving parity to the wheat farmers, another billion for corn, and so on.

That extra money will circulate with the velocity enhanced by long-pent-up and unsatisfied demand. That money will not stay in the hands of the farmers 1 day! It would be spent to buy the products of industry. It would circulate at a terrific rate. Economists tell us that circulation multiplies each dollar at least 10 times and that it is the velocity of circulation rather than the quantity of the circulating medium which creates prosperity.

Therefore, three billions of new dollars in the hands of the farmers of the Nation—three billion more units of initial buying power—would mean a $30,000,000,000 increase in annual business. If the farmers had received parity prices or income last year there would have been no recession!

The fact that parity prices would give the farmers so much additional money is no argument against the basic equity of the proposition. Parity of prices means nothing more nor less than cost of production plus a reasonable profit. Parity means equality. Prices on a par with or equivalent to those which are fixed for the products of industry.

Parity is fair. It would wipe out only unjust discrimination. You Republicans swear by Alexander Hamilton's brief for a high protective tariff, designed to benefit our infant industries of a century ago. You should not forget that in that brief of Hamilton's he stated that while a high protective tariff was desirable for the benefit of industry, its effect would be to rob the farmers. He advocated in that same brief bounties to farmers not as gratuities but as restitution. Those infant industries for the protection of which Hamilton pleaded are now hardly to be classed as infants. They are United States Steel, Standard Oil, General Motors, and many others which look to the unprotected farmer more like giants than like babies. Yet many of you still insist upon the same or even higher tariff benefits to protect them in their enjoyment of their artificially high prices. All we are saying is that this policy cannot be justified unless the circle is completed and parity with the prices of industrial products be assured to the farmers, who have no tariff protection.

The average cash income of each cotton farmer in Alabama last year was $200! On such an annual income, how can they buy your products? How can such incomes furnish a market to Alabama, much less to you? How can those who receive such incomes compete in the market for labor, when this bill proposes as its goal $832 as the minimum annual wage for industrial workers?

This is a national problem. We are all in the same economic boat. You cannot get money from us which we have

not. So why bore a hole in our end of the boat? Do so, and your end will sink with ours.

In conclusion, I beg of you your careful consideration of the amendment which I shall offer tomorrow. Its purpose is to postpone the time when this bill should become effective until the present disparity of income against those who feed and clothe us all—the farmers of the Nation—shall have been removed!

One word, and I am done. Do not think for a moment that by increasing disparity of income at the expense of the farmer you can benefit anyone! The first and best remedy which should be applied to sick business is to do justice to the American farmer! [Applause.]

[Here the gavel fell.]

Mr. WELCH. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Chairman, I am very thankful to the genial gentleman from California for the few minutes allotted to me. I am going to take but a few minutes because I can see there is a great deal of pressure here for additional time. There is no need of my taking any great length of time because this House should know how any Connery would stand on a real wage and hour bill.

I feel that the bill falls short of the goal that Billy Connery had originally set for it, but there is no question about the fact that this bill is far superior to the monstrosity which was presented to us last fall and which I joined with other Members in recommitting to the House Committee on Labor for reconsideration. However, I feel that at last we have a real bill before us.

I said a few seconds ago that I feel it falls short of some of the ideals, as well as the goal that Billy Connery set for it, but I would like to say in connection with that statement that I believe one particular provision in which he was wholeheartedly interested cannot be included in this bill because of a ruling rendered heretofore, that it would not be germane to the bill and that such a provision must come from the Ways and Means Committee. This matter was brought up here this afternoon by the gentleman from New York [Mr. FISH] and it is the provision with reference to foreign importations. In connection with that, Billy Connery prior to his death a year ago foresaw the necessity of such legislation and introduced a resolution covering that very situation which, if coupled with a real wage-and-hour law, would take care of foreign competition in fine style. There is now a petition on the Speaker's desk, petititon No. 35, by which I am seeking to discharge the Ways and Means Committee from consideration of his resolution in order to clear up this situation. Naturally, those who wish to protect the job opportunities of American wage workers realize the absolute need of having these provisions apply to products of foreign workers which compete in the American markets with products of American workers.

Tomorrow I feel that Billy Connery will be looking down upon his former colleagues as they overwhelmingly pass this wage and hour bill, happy in the knowledge that his great desire has culminated in the successful passage of a real wage and hour bill.

In connection with the bill, tomorrow I intend to offer an amendment calling for a straight 40-cent minimum hourly wage and a maximum workweek of 40 hours, with a time and a half for overtime provision. Instead of having the millions of workers now unemployed and those exploited workers who lack real purchasing power wait 4 years, we ought to put into the present bill right now this provision for a 40-cent minimum wage and a 40-hour workweek, with time and a half for overtime. In closing, may I remind the House that last December the Members of the House rejected a 40-cent minimum wage and a 40-hour maximum workweek provision by a majority of less than a dozen votes. I hope the Members of the House who realize the deplorable conditions of those who are asked to live on an income of less than $13 a week will support this amendment.

Mr. WELCH. Mr. Chairman, I yield to the gentleman from Arizona [Mr. MURDOCK] such time as he may desire to use.

Mr. MURDOCK of Arizona. Mr. Chairman, I may vote for this bill as is, but I would much prefer to see it amended.

I want to say that for the good of my country I want to see a floor under wages and ceiling over hours, to the end that our unorganized labor, and all labor in sweatshop industries, may be properly considered and treated by this Government. My support of this type of legislation in general arises out of the need as I recognize it of the industrial portion of our country, rather than any need in the agricultural, pastoral, intermountain portion of the country which I represent.

Out in my part of the great West, labor is chiefly engaged in the extractive industries. This is true of most mining, smelting, and lumbering, as well as agriculture, horticulture, and livestock raising out there. I feel that these extractive industries such as we have in the great open spaces very properly require a different set of regulations in keeping with the different set of conditions, which are in marked contrast with conditions controlling manufacturing industries here in the crowded cities.

If I had time I should like to indicate why I would be willing to have a wage differential and an hour differential based, not on political considerations or even on sectional considerations, but based on the natural differences appearing in the wide diversity of American industry over a vast continent. We must be careful in our efforts to aid labor in general that we do not harm both laborers and employers in the remote mountain regions of the West.

I feel that this type of legislation should apply to those industries and areas where there is a surplus of laborers and not so much to those industries and areas where there is a scarcity of laborers. Is it not possible to recognize this natural diversity of conditions over a wide territory in shaping this national legislation? I trust it may be done in this bill by proper amendments.

Mr. WELCH. Mr. Chairman, I yield to the gentleman from Ohio [Mr. BIGELOW] such time as he may desire to use.

Mr. BIGELOW. Mr. Chairman, I address myself to those employers of Cincinnati who are asking me to vote "no" on this wage and hour bill. I have to disappoint them and vote "yes."

Their opposition is based on what, no doubt, is an honest conviction that this sort of legislation will do more harm than good. They believe that when the Government, although with the best of intentions, interferes with economic law, the law strikes back and defeats the good intentions. They say that when we raise wages by law we raise prices more than wages, and thus lower in buying power the wages we seek to raise. This, it is contended, can have no effect but to shrink the volume of the Nation's business and increase the numbers of those who are crowded out of all employment. They say that we drive a wedge in to lift people up, forgetting that the underside of the wedge is pressing people down.

To this I reply. Yet, gentlemen, no one disputes this fact that there are in State and interstate industries as many people as there were chattel slaves of the South, who are wage serfs today, with less security than the chattel slaves enjoyed.

I agree that there is a better way to free these wage serfs than the one proposed. But we are not presented with an alternative. It is this way or nothing now. I therefore disregard this business logic. Above this logic I hear the voice of One who said:

> Inasmuch as ye have done it unto the least of these, my brethren, ye have done it unto me.

Whatever the ultimate economic effect of this wage and hour legislation may be, we are sure that the immediate effect will be to improve the conditions of millions of our people, the kind of people to whom it was said:

> Come unto me all ye who labor and are heavy laden.

It may be that if we passed this bill and stopped here we would accomplish little or no lasting good. But if we have the will to pass this legislation, we are more likely to move on to more fundamental remedies. If, however, we close the heart now, it is apt to stay closed against better ways of doing justice.

There is an economic institution, described in the old Bible, called the Year of Jubilee. It was recognized that the dollars of the rich bred dollars, while the debts of the poor bred debts, until the burdens of rent and interest that were laid on men's backs were too grievous to be borne. So it was arranged that every 50 years all mortgages should be canceled, all accounts wiped out, and society should make a fresh start debt-free. Our method of doing this is to have a depression every 10 or 15 years. This old Bible idea was to make this debt-unloading process a religious festival instead of an epidemic of foreclosures and suicides.

The workers of America are staggering beneath a load of debt. Out of their labor comes $15,000,000,000 a year tribute for the use of our portion of the God-given earth. Out of their labor comes another $15,000,000,000 interest, tribute that is paid for the use of the money monopolized by the money changers. Out of their labor comes also a $15,000,000,000 annual cost of a bureau-spawning Government.

This load of debts has grown too big to be endured. This wage and hour bill will hardly lift a feather's weight of this burden. Sober-minded men are filled with dread as they think of the next few years that are before us. They are convinced that we are in for it—a vast liquidation when dollars will turn to dimes, bonds will be bushels of waste paper, houses of ivory will come down, the rich with the poor alike will bite the dust. This wage and hour legislation is pitifully poor insurance against these evil days.

Here is the legislation I would prefer to this poor little 25-cent bill: I would take over the Federal Reserve banks and use the Nation's credit to bring down the interest rate on productive industry to a mere service charge. I would abolish taxes on all improvements on the face of the earth and redistribute this tax burden on land, not according to its acreage but according to its site value.

Use the taxing power, not to penalize improvement but to more fully bring land and labor together, and reduce the interest rate to further encourage industry and increase jobs.

This, I am convinced, is the way to open up so many jobs for men that, instead of passing laws to bolster wages up, we will have men running to Congress foolishly demanding laws to keep wages down.

But my businessmen in Cincinnati will not listen to such counsel. They do not read the signs of the times. They do not even want this grudging little wage and hour bill. All they want, they say, is confidence. Well, the people who are buried beneath the lava of Vesuvius had too much confidence.

As for me, I shall vote for this wage and hour bill, if that is all that Congress will do, because I know that it will at least buy a little more milk for hungry children and ease a bit the aching backs of old scrub women and light some flickering candles of hope in darkest America. It is worth something to give this assurance that a great Government is regardful of these humblest of its citizens.

But I will continue to plead for more than minimum wages. I will plead for maximum justice, a justice that will give the American people freer access to their land and freer use of their money. Thus, I think, we might turn the day of judgment that we dread into a year of jubilee.

Mr. WELCH. Mr. Chairman, I yield to the gentleman from Michigan [Mr. LUECKE] 3 minutes.

Mr. LUECKE of Michigan. Mr. Chairman, my colleague the gentleman from Michigan [Mr. MAPES] made a statement to the effect that Michigan was not in a frame of mind at this time for the wage and hour bill. Now, I have a lot of respect for my colleague and I am surprised to think he would get up on the floor and make a statement to cover the entire State, because I have received telegrams and letters from manufacturers in my district saying they want the wage and hour bill, and I know, too, that not only do the manufacturers want this bill but the workers to a man want the bill; and not only in my district but in his district as well.

I regret very much that sectionalism has been injected into this discussion because this is a problem which affects the entire country.

I had a novel experience while coming to Washington not long ago. I stopped in an industrial town and went into a store to make a purchase. I was standing at the counter and noticed the proprietor had in his hand a number of pay checks.

I asked him it is was pay day in town, and he said "yes," that the garment factory was paying off. I became interested right away and said that I supposed they paid a pretty fair wage, as this was in the northern part of the country.

He said, "Oh, I don't know about that. Do you want to see some of these checks?"

That was just what I wanted to see. In looking over the checks I found they ranged from $2 to $17 for 2 weeks' work, and that happened in the North. From that it will be seen that this is not a sectional bill. It applies to the whole Nation.

The thing to remember about this bill is that it is not designed to be a cure-all for industrial wages. It is merely aimed at wiping out sweatshop conditions and child labor. Those are the two salient features and should be kept in mind. And if it will do that and nothing more this Congress shall not have met in vain.

Democracies are being pressed on all sides the world over. Dictatorships are fast displacing a heretofore free people in many parts of the world. And why? Because no thought was given to the welfare of those people.

It is as plain to me as the night follows the day that our democracy shall not endure unless liberal and progressive legislation is enacted for the benefit of the masses. The very essence of democracy is liberalism and surely there is nothing radical nor unreasonable in this bill.

Sweatshop wages and conditions are the breeding places of crime. It is from there that immorality springs. Wages of $5 and $6 per week have caused more girls to go wrong and sent more boys on a life of crime than anything else in our Nation.

President Roosevelt in a speech to the House last year said that we have now arrived at the social frontiers and that hereafter our greatest concern should be correcting abuses which prevail to the detriment of humanity.

This bill is a step in that direction. We have overcome territorial frontiers and are now at the social frontier. It is going to take as much courage and determination to conquer the social frontiers as it did to overcome the territorial frontiers.

I do not mean to say that those who oppose this bill have not the courage of their convictions. I believe that they are honest and true in their opinions. But I do think that they do not understand the situation which confronts us today. We are no longer a pioneer nation.

I believe this bill is constitutional. It does not delegate any power except to a constituted authority, the Secretary of Labor. Any law must be administered by some executive department.

What I mean to say is that the bill says so much must be paid, so many hours must be worked. It does not leave it to the discretion of any department or board or commission. I believe that this is the only way a wage and hour bill can come within the Constitution. This is the democratic way to attack the problem of underpaid workers in industry.

Mr. Chairman, the workers of the Nation look to us for the enactment of this kind of legislation. They are watching us with anxiety. We cannot afford to let them down. If we do we will shake their faith in democratic government, and

once that faith is shaken it can never be retrieved. The very life of the Nation as a democracy depends on this bill and bills of a like nature.

The next step which we should take should be toward a cost of production program for the farmer. The two go hand in hand in my opinion. The workers of the Nation should not be asked to work for less than a certain amount and the farmers should not be asked to sell their products for sweatshop prices. That is the next step.

The workers and farmers are the foundation of society. If the foundation is not secure we cannot have a sound and firm nation. That is a law which holds good not only in structures built of material, but in society built up of humanity.

I am firmly convinced that a floor under wages is a solid cornerstone in the social foundation, and I hope the time will come when we will insert another cornerstone in the shape of minimum farm prices. [Applause.]

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WELCH. Mr. Chairman, I yield now to the gentleman from Pennsylvania [Mr. DEMUTH].

THE "NO MAN'S LAND" OF ETHICS

Mr. DEMUTH. Mr. Chairman, the American manufacturers, businessmen, and merchants have established in the United States a relation of confidence between the buyer and seller because of established policy, price, quality, and business ethics nowhere equaled in the entire world. This condition existing between the producer used in the broad sense and the consumer has worked to the great advantage of both producer and consumer, has built a feeling of confidence, fair play and brought about a most healthful condition in this relationship and has made business transactions most pleasant. Nowhere in any particular branch of our economic and industrial system is ethics so well established and to great advantage of business in particular and to the benefit of all our peoples. All our manufacturers, producers, and sales organizations boast of their definitely established policies and business ethics. Morals, fair play, and law of self-preservation and true American sportsmanship no doubt were the driving factors in establishing this condition in this particular zone of industrial, commercial, and business America.

The social relations of the people of America compare most favorably with those of any other country. Our people are most honorable, charitable, unselfish, and moral to the end that our lives on this earth are much more pleasant than would be the case without these fundamental laws which are indelibly imprinted on the soul of each man through the teachings of the Bible and brought to us by Christ.

There are many established rules and customs in the producer-consumer relations which no doubt are based on morals and self-preservation. I do not think that a man would claim that any of the rules of fair play on the field of sports hurts the game of football, racing, boxing, baseball, tennis, or any other game. In fact we condemn poor sportsmanship here in America and hiss the offenders.

There is a moral obligation felt by every human being and a deep sense of responsibility established in every man to support his wife and his offspring. I am inclined to think that man labors and receives his pay more as a partner in that family and that money is delivered by him as agent to the members of his family that in no small part it is also theirs. So great is his feeling of responsibility to his family, if he squanders the money he feels he is squandering their money. In industry therefore he is in a sense the representative of the family. He renders a service for wages for the family. The family is the fundamental and necessary foundation of society and our existence. You must agree that because of great inherent humane responsibility man toils merely to feed, cloth, and educate his children and support his wife. The wage relationship concern them really more than they do him.

Incentive and ambition is the driving force of progress and all businessmen like to be successful and a profit is necessary for continuance in business. Likewise, accumulation of wealth brings with it a certain amount of prestige and honor. In America, unfortunately, we do not consider so much how it was brought about. We do not consider whether or not the children of these employees went hungry and fell victims of tuberculosis because of lack of nourishment; that members of the employee's family went without medical attention, proper clothing, or education. We are apt to pass that off as not his responsibility, but part of the work of charity. We are inclined to reserve our charity, humane consideration and fair play until we have accumulated sufficient wealth to practice it professionally, which in most instances are a failure. The many victims we have left in the wake of our reckless drive for profit are never compensated. Nor is paternalism in industry born out of charity, but generally with thought of trading a shiny dime for a quarter.

Certainly it is not necessary that there be a "no man's land" in morals, fair play, and fundamental ethics, and obligations of the employer-employee relationship. While the employee is the only part of the family with whom the employer contacts, nevertheless, the obligation is with the family and in turn with all the people, and therefore is of vital importance to the general welfare and the continuance of our democracy.

It would be as inconsistent to contend that such fundamental laws, rules based on moral laws, obligations to society and our humane existence in regard to wages cannot apply with great good to all the people including the employers as to contend with these established policies, and business ethics have not helped in producer-consumer field of our business economy or to contend that all rules for fair play ruins all our athletic contests, and all our social and economic relations.

No industry can be but of negative value to society if its existence is predicated upon the paying of wages lower than that required to support the American family up to established standards in America. Because of their morals and filial obligation, men in industry are in a vulnerable position. Should good order and decency prevail in this field or should laissez faire be permitted in order that certain citizens might carry on their depredations? Certain fundamental standards are established in the wage and hour bill that will so materially benefit the industries and producers as well that it will greatly improve our capitalistic system which is so greatly in need of strengthening at this particular time. This wage and hour bill is the first step in our economy toward improving the purchasing power of a large group of our people and it will reengage some of our productive forces. Our economy is not a one-sided proposition. To date all our attention has been directed toward production and increasing the standards in that field. Much more attention and effort must now be directed toward making these benefits accessible to the people of our Republic. It can be done and when it is there can be no doubt but that the capitalistic system can flourish and improve under our democratic form of government.

Mr. Chairman, we must establish labor standards and principles in our country.

In this particular part of our economy we have a "no man's land" of ethics.

Mr. WELCH. Mr. Chairman, I yield now to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS. Mr. Chairman, this wage-hour bill amounts simply to an attempt to raise a little the standards of the poorest paid workers of this country. It represents a statement by Congress that there is a standard below which no American citizen shall be asked to work.

Certainly the standard is modest enough. With millions unemployed it is indeed difficult to see how a logical argument can be made for a longer workweek than 40 hours.

But even that standard will not be reached for 2 years' time; and the bill, of course, does not actually forbid a workweek of a longer duration, but requires that if a man does work additional time he shall be paid time and a half for it.

The 25-cent minimum wage for which the bill provides in the first year of operation spells only $10 a week, and about $40 per month, and $480 a year. Even when we get up to a 40-cent minimum at the end of 3 years workers protected by the act will only be receiving $768 for a year's work if they do not lose a single regular working day. Can anyone say these standards are too high? Can anyone say that if there are people working for less wages than these—and we know there are—the whole Nation will not benefit by an increase in their incomes? These are the people who need sheets and bread and a little meat. They are the people whose lack of buying power presents the most serious problem of all for our agriculture.

This bill is not an organized labor bill at all. There probably are not more than a handful of organized workers in the Nation who get wages as low as those provided in this bill. This bill is for the protection of a group of people who have no means of speaking for themselves—millions of them women, all of them underpaid workers. They have no lobby here. They cannot have. That probably is the reason it has been such an uphill struggle to pass this bill.

Finally the bill means that the Congress is saying that competition shall not extend beyond a certain point so far as wages and hours are concerned. Congress is saying that competition must be conducted by means of greater efficiency, better products, wiser planning, but not by means of taking it out of the very minimum livelihood of the wage earners.

And so the bill offers protection to the employer who has tried to do the fair thing but has not always been able to because his competitors have undercut him in the matter of wages.

This bill is right. Above all, its passage will be proof that the Government of the United States has a sufficient sense of social responsibility so that once in a while the Congress will pass a law which is not wrung from it by political pressure, but which is passed just because it gives a small measure of justice to a group of our people all too long neglected. It is easy to enact measures which powerful groups demand. The test of our sincerity comes only when we are called upon to pass a bill like this one where only a sense of justice drives us to action.

It is true that the South has been terribly exploited by northern and eastern finance and industry. But this exploitation has been accomplished primarily by the exaction of interest payments and the drawing off into northern treasuries of the profits of absentee-owned southern mills and factories. Wages which these mills and factories pay to their workers however, are not so easily or so quickly siphoned out of the South. Those wages must and will be spent in the South. I sincerely hope that the effect of the bill will be to narrow, not to increase, as some have suggested would happen, the spread between the standards of living for the masses of people in the various parts of the Nation.

This bill clearly is only a feeble beginning. Its standards are, when we analyze them, tragically low. But I am convinced it is a start in one of the right directions we must go.

Mr. WELCH. Mr. Chairman, I yield now to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, the Labor Committee of the House of Representatives having recommended a wage and hour bill for approval by the Congress of the United States it is regrettable, that under the rules of the House, it was possible for eight members of the Rules Committee to prevent action by the House until 218 Members of the House, a majority of the whole membership, had signed a petition that would enable the membership to vote upon the question of whether the bill should be considered. Although the action of the Rules Committee was within the rules of the House, nevertheless it was a denial of a right that is fundamental in our form of government.

During my service in the House I have always deemed it to be my duty to assist in bringing to the floor of the House any bill, favorably recommended by a committee and having the support of a considerable portion of our citizenship. The purpose, or, underlying theory, of our form of government is that the will of the majority should prevail. As representatives of the people, to express by our votes what we conceive to be the will of those whom we represent, our right and duty to do so is precluded when action is taken by the Rules Committee to prevent any bill from coming to the floor of the House. Consequently in this, as on other occasions, I have signed the petition that has made action by the House possible and upon the vote being taken I have voted to discharge the committee of the bill. The overwhelming majority by which this motion was carried indicates the strong demand there is for such legislation.

The wage and hour bill represents an endeavor to provide a foundation for wages and a ceiling for hours. The conditions that exist in many sections of our country are appalling and create a necessity for this type of legislation if we are to maintain our American standard of living. Sweatshops and child labor have no right to exist anywhere in this Nation. Their continued existence is indefensible.

The bill, as recommended by the committee, provides a universal, Nation-wide minimum rate of pay of 25 cents per hour with a provision that it shall be increased to 40 cents within a period of 3 years; and a ceiling for hours of unemployment which provides for 44 hours per week with a provision that it shall be reduced to 40 hours within a period of 2 years. Thus, the bill provides a rate of wage below which no employee can go, and a limit for hours above which no employer can require his employees to work.

It is estimated that the enactment of this legislation will immediately benefit 3,000,000 workers who are now underpaid and overworked. It will extend to those who work in industries that are interstate in scope the same protection as is now accorded to workers in States that have minimum wage laws affecting industries that are local or only Statewide in character. Thus, this bill gives national scope to a principle that is already recognized by many of our States. The fundamental principle upon which this, and all similar legislation is based, is that no industrial worker should be allowed to work for wages which are less than the amount required to provide a decent standard of living.

A further reason that justifies the enactment of this legislation relates to the employer. It is within the knowledge of all that there are employers throughout the Nation as to whom it is unnecessary to enact laws to compel them to fix decent wages and hours of work. They have done so voluntarily. But every one of such employers is at the mercy of the "chiseler" in his particular industry, who by low wages and long hours creates an unfair competition that is difficult, if not impossible, for the employer paying the higher wages to meet. Thus, this legislation will directly benefit those employers who are compelled to face the unfair competition created by the unscrupulous employer who gets all he can out of his employees and at the lowest possible wage.

The critical unemployment situation that now exists must be remedied. With 13,000,000 unemployed we are faced with a problem, the solution of which is of paramount importance. So long as this continues to exist it will be necessary for the Federal, State, and local governments to contribute huge sums of money for relief. This cannot continue indefinitely without creating a situation that will become increasingly difficult to handle both from the standpoint of the financial burden and the morale of the people who are unemployed. These latter will not continue to be satisfied with a small dole or work-relief projects that pay only meager wages. The amount being received from either of these is so small that it cannot do anything more than

keep body and soul together, and hardly that. For 8 years many of these unemployed have not enjoyed any of the comforts that brings joy into life. Our much-talked-of American standard of living—the highest in the world—has been greatly undermined and for many has become only a memory. There can be no real change in this situation until the unemployed are again able to find employment in regular jobs and at regular wages. I realize that this is no easy task. I realize, however, that much that could have been done by the administration to bring this about has been either overlooked or refused.

The present legislation, fixing wages and hours for those engaged in industry that is interstate in character, is a step in the direction of remedying the unfortunate conditions that now prevail. It will not cure the entire unemployment problem. No wage and hour bill could be drawn that would do so. This bill, however, does seek to remedy the situation in one important particular. It is generally recognized that in a time of widespread unemployment the quest for jobs creates a condition that makes it easy, for employers so inclined, to increase hours of labor. Those who seek employment under such circumstances are willing, by force of circumstances, to work any number of hours for any kind of pay in order that they and their families may survive. It is a condition such as this that enables sweatshops to operate to the advantage of those who operate them, and, likewise drive children into industry to help piece out the meager wages received by the father or mother. When we realize that these unjustifiable conditions exist today in many industries, in different sections of the country, without any restraint of law it becomes clear that something must be done for those who are the victims. Common decency demands it and our prestige as a nation suffers as long as it is permitted to exist.

In addition to the desire to improve working conditions there is also an expectation that this legislation will have a beneficial effect in reducing the number of unemployed. This expectation is based upon the thought that limitation of hours of employment should produce a wider spread of employment and thereby reduce the number of unemployed. If this desirable end is accomplished then this bill will prove a valuable contribution to the solution of the most pressing problem with which we are faced today.

In conclusion, I wish to make some reference to those who have communicated with me expressing their opposition to the enactment of this bill. Some of these have objected merely because of some particular clause in the bill, or, because of what may seem to be a possible injustice in the application of the bill under certain contingencies. Amendments have been made to the bill that will correct some of the objections that have been mentioned, particularly with reference to seasonal occupations and preservation of goodstuffs, and, others that deal with particular conditions that are possible of amendment without destroying the underlying purpose of the bill. Some of those who have objected, however, have done so upon an apparent misunderstanding of the reasons that make this legislation necessary. I am confident that many such have done so without any personal knowledge of the actual conditions which now exist and which make this legislation necessary. It is all too true that "one half does not know how the other half lives." If they did, then, I am sure they could understand the purpose that actuates the desire to enact this legislation. Knowing as I do, from intimate contact with those who labor, the conditions that make this legislation necessary I would be false to my conscience and lax in my duty if I did not give my support to this measure. I have done so each time the matter has been before the House and feel justified in doing so until it is written into the law of our country.

Mr. WELCH. Mr. Chairman, I yield 5 minutes to the gentlewoman from New Jersey [Mrs. NORTON].

Mrs. NORTON. Mr. Chairman, I have asked these 5 minutes in order to yield them to the gentleman from Iowa [Mr. BIERMANN], whom I promised to yield to earlier in the day. I yield 5 minutes to the gentleman from Iowa [Mr. BIERMANN].

Mr. BIERMANN. Mr. Chairman, I signed the petition to bring out this bill and I hope to be able to vote for it. But, like many other Members from farm areas, it will be hard for me to vote for it unless some of the hardship it now imposes on farmers is removed from the bill. We concede to the Members from the large cities a better knowledge of the labor situation there than we possess. And, by the same token, we believe we have a better knowledge of what should be done in the farming areas than Members from the large cities.

The bill, as presently worded, imposes hardships on the farmers, which in no way serve the purpose of the bill. In section 2 the purpose of the bill is declared to be to remedy "substandard labor conditions." Nobody complains of substandard labor conditions in the creameries, cheese factories, and similar institutions in the farming areas. As Charles W. Holman, secretary of the National Cooperative Milk Producers' Federation, says:

> Persons employed in agricultural processing plants in country districts are well paid and are envied persons in their community. Farm labor and, indeed, many farmers themselves would be happy to change places with those persons fortunate enough to be employed in creameries, cheese factories, and country milk plants.

Tomorrow I shall offer the following amendment, which I hope the committee will accept:

> Strike out subsection (g) of section 3 and insert in lieu thereof: "(g) 'Employees engaged in agriculture' includes individuals employed within the area of production engaged in the handling, packing, storing, ginning, compressing, processing, pasteurizing, drying, or otherwise preparing agricultural commodities for market."

Nearly every large farm organization in the United States has endorsed this amendment. I know of none that opposes it. It is a well-known fact that most of the cost—in most cases all of it—of running these farm factories is taken out of the amount the farmer receives for his product.

And here is the point, important for the big factory laborers—employment of labor goes up and down, closely following the total income of the American farmers. In 2 to 6 months after farm income drops, employment in the cities declines. In 2 to 6 months after farm income booms, employment in the cities increases. So, in arguing for this amendment, we are, in effect, pleading the cause of city labor.

Now why do we want farm factories exempted from the terms of this bill? Because they have to be conducted in most cases in a way very different than the way the big city factory is run. Referring to plants handling milk, Charles W. Holman says:

> The hours which they work are dependent upon the flow of milk from the farms into the plants. * * * At certain times of the year production is much higher than others, resulting in keeping plants open longer hours than in normal times. In the winter, snow and slush make deliveries from farm to plants erratic, but they must keep open until all of the farmers' milk has been taken care of. Truck break-downs require the keeping open of plants longer than normal on certain occasions. In addition the plants are active at certain periods of day and during other periods there is very little work for men to do. Nevertheless they must be around the plant.

I have a letter from E. S. Estel, secretary-treasurer of the Iowa State Dairy Association, in which he says:

> If your amendment fails to pass the wage and hour bill would place a serious handicap on dairy plants and especially the smaller ones that are so numerous in the northeastern section of Iowa.
>
> Because a large volume of the butter made in Iowa, as well as the other principal dairy States, is produced during the period May 1 to August 1, or during the grass season, it is extremely difficult for dairy plants to obtain additional satisfactory workers during this short, busy season.

Mr. Estel directed my attention to the fact that creamery employees in Iowa in district meetings held last winter overwhelmingly favored the present hourly working basis which necessitates longer days during the short, busy seasons and provides short days in the slack periods.

The employees in these farm factories are not complaining. They know that the nature of their business requires

elastic hours—and they know that the rigid rules laid down in this bill would not work in the farm factories. We should not disrupt these little businesses, which are handling farm products directly from the farm and which are supplying good jobs to satisfied employees. I want to quote from a letter received from H. H. Woldum, manager of the Decorah Produce Co., in my home town. He says:

So far as we are concerned it would be absolutely impossible to conform with the requirements of this law and stay in business. At certain times of the year when we are not busy we could possibly comply with the provisions of this law if it was possible to get the necessary help whenever it was needed, but during the rush of the egg or poultry season it would be impossible as we then have to work overtime and sometimes work half the night and even longer in order to take care of the business.

The amendment I have proposed would strengthen this bill without sanctioning substandard labor. It would save the farmers of America from an expense they should not be subjected to. No good purpose would be served by including farm factories in this bill. Wage and hour legislation on a national scale is an experiment in America. Is it not wise to move cautiously? The bill is framed with big factory conditions in mind. Why include little farm factories, where labor conditions are good? The organized farmers of America ask that this amendment be adopted. Its adoption would not weaken the bill. The bill is aimed at substandard labor conditions. We ask you to exempt industries in which substandard labor conditions do not exist. [Applause.]

Mr. WELCH. Mr. Chairman, I now yield 3 minutes to the gentleman from Alabama [Mr. PATRICK].

Mr. PATRICK. Mr. Chairman, I was very heartily impressed by what my colleague from Alabama [Mr. HOBBS] said. There is no controverting most of the things that he said, in fact all of them are true, perhaps, but I am supporting this measure. I do not see how we can ever reach the conclusion that we can lift our section, the South, out of the condition that has prevailed for several years by keeping it on a low-wage plane. The only way that we can do it is to go along with whatever legislation is necessary to lift it to a better station among the activities of the Nation. We can only do this one leg at a time. I suppose always, when sweeping legislation of this kind is offered, which covers a whole Nation, every section wants its boost first. I was disturbed over the previous wages-hours measure which we voted to recommit because of the rate discrimination and the extra haul expense we have to absorb to get our goods into the South. I do not see now how any fair lawmaker can take half a glance in the direction of this measure and not vote to get away from the unhappy discrimination that has assailed our section of the country so long. But we must be content to see our laws passed one measure at a time. So, unless it is ruined by amendments, I shall vote for this bill.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. WELCH. Mr. Chairman, I yield the balance of my time to the gentlewoman from New Jersey [Mrs. NORTON].

Mrs. NORTON. Mr. Chairman, having no further requests for time I yield back the balance of my time.

Mr. COX. Mr. Chairman, when the unanimous-consent request was submitted for the extension of time for general debate I raised no objection, having in mind, of course, in view of the fact that I have been consistent in my opposition to this proposal, that I would have some time to debate this vital and all-important measure.

The CHAIRMAN. Is the gentleman submitting a parliamentary inquiry?

Mr. COX. I am.

The CHAIRMAN. The gentleman will state it.

Mr. COX. At that time, however, those in charge of the time were not permitted to give me, I presume in view of the fact——

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. COX. I yield.

Mrs. NORTON. I did not have any request for time from the gentleman, but I shall be very glad to yield the balance of my time to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Chairman, I made the request on the floor, and the answer to my request was that 40 minutes would be yielded to the opposition, and the gentlewoman yielded that time to one of my colleagues from Georgia [Mr. RAMSPECK]. In view of that statement I did not later petition for time.

The CHAIRMAN. The Chair understands that the gentlewoman from New Jersey is willing to yield to the gentleman from Georgia [Mr. Cox] the balance of her time.

Mr. COX. Mr. Chairman, I could not even scratch the face of this important question in a discussion of 1, 2, or 3 minutes. I take this opportunity to say that I have the hope and expectation of being able at least briefly to discuss the bill on tomorrow on my own time and within my own rights.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Fair Labor Standards Act of 1938."

Mrs. NORTON. Mr. Speaker, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee arose; and Mr. RAYBURN having taken the chair as Speaker pro tempore, Mr. MCCORMACK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days from the final vote on the wage and hour bill in which to revise and extend their own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mr. HOBBS. Mr. Speaker, in addition to the general authority which has just been granted, I ask unanimous consent to include in the extension of my remarks a short editorial and statement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to include in connection with my address certain excerpts from the President's message, from the hearings on the bill, as well as certain letters and editorials.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VOORHIS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a short excerpt from an article appearing in the Saturday Evening Post of December 21, 1907.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MAPES. Mr. Speaker, I ask unanimous consent to include in the remarks I made this afternoon a news item and an editorial in the Washington Post, to which I referred.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short table.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SWOPE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DIES. Mr. Speaker, I ask unanimous consent to include in the extension of my remarks quotations from a letter from Miss Perkins to me, and also a letter from the executive secretary of the A. F. of L. in Texas, as well as the statement of Mr. H. C. Fleming, president of the International Oil Workers' Union.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MURDOCK of Arizona. At Kirksville, Mo., on the evening of May 19, I spoke at a banquet in honor of the new president of a great teachers' college at that place. As it was a propitious moment, I recounted some of the educational achievements of earlier presidents, such as John R. Kirk and Eugene Fair. I ask unanimous consent to include in the RECORD the address which I made on that occasion, thinking that it has some educational as well as commemorative value.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. FLETCHER. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today and to include therein a statement with reference to the foreign-trade agreements as applied to this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. WHITE] may extend his remarks in the RECORD and include several short tables.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today and include therein a table.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to include in my remarks a letter from Mr. Jackson, Solicitor General, also the statement of Mr. Cohen before the subcommittee of the Committee on Labor considering the wage and hour bill, and I request that that follow immediately the statement of the gentleman from Georgia [Mr. RAMSPECK].

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. COCHRAN], may be permitted to extend his own remarks in the RECORD and include therein an editorial from the St. Louis Post-Dispatch.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Speaker, for the benefit of the RECORD, may I say that the gentlewoman from New York, Mrs. O'DAY, is unable to be present on account of illness. If she were present, she would be glad to support the wage and hour bill.

The gentleman from Indiana, Mr. GRISWOLD, a member of the Committee on Labor, is unable to be here on account of illness.

HOUR OF MEETING

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that when the House adjourns this evening it adjourn to meet tomorrow morning at 11 o'clock.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mrs. O'DAY, indefinitely, on account of illness.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 1486. An act to amend section 30 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes";

H. R. 4222. An act for the relief of Mary Kane, Ella Benz, Muriel Benz, John Benz, and Frank Restis;

H. R. 4276. An act to amend an act entitled "An act to create a juvenile court in and for the District of Columbia," and for other purposes;

H. R. 4650. An act to amend section 40 of the United States Employees' Compensation Act, as amended;

H. R. 4852. An act to provide for the creation of the Saratoga National Historical Park in the State of New York, and for other purposes;

H. R. 5633. An act to provide additional funds for buildings for the use of the diplomatic and consular establishments of the United States;

H. R. 5974. An act to authorize payments in lieu of allotments to certain Indians of the Klamath Indian Reservation in the State of Oregon, and to regulate inheritance of restricted property within the Klamath Reservation;

H. R. 6410. An act granting a pension to Mary Lord Harrison;

H. R. 7104. An act for the relief of the estate of F. Gray Griswold;

H. R. 7534. An act to protect the telescope and scientific observations to be carried on at the observatory site on Palomar Mountain by withdrawal of certain public land included within the Cleveland National Forest, Calif., from location and entry under the mining laws;

H. R. 7553. An act to amend the laws of Alaska imposing taxes for carrying on business and trade;

H. R. 7711. An act to amend the act approved June 19, 1934, entitled the "Communications Act of 1934";

H. R. 7778. An act to amend section 26, title I, chapter 1, of the act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900;

H. R. 7827. An act to authorize public-utility districts in the Territory of Alaska to incur bonded indebtedness, and for other purposes;

H. R. 8008. An act to provide for the purchase of public lands for home and other sites;

H. R. 8148. An act to amend Public Law No. 692, Seventy-fourth Congress, second session;

H. R. 8177. An act to create a commission to be known as the Alaskan International Highway Commission;

H. R. 8203. An act for the inclusion of certain lands in the Kaniksu National Forest in the State of Washington, and for other purposes;

H. R. 8373. An act for the relief of List & Clark Construction Co.;

H. R. 8404. An act to authorize the Territory of Hawaii to convey the present Maalaea Airport on the island of Maui, Territory of Hawaii, to the Hawaiian Commercial & Sugar

Co., Ltd., in part payment for 300.71 acres of land at Pulehu-Nui, island of Maui, Territory of Hawaii, to be used as a site for a new airport;

H. R. 8487. An act confirming to Louis Labeaume, or his legal representatives, title to a certain tract of land located in St. Charles County, in the State of Missouri;

H. R. 8700. An act relating to the retirement of the justices of the Supreme Court of the Territory of Hawaii and judges of the United States District Court for the Territory of Hawaii;

H. R. 8715. An act to authorize the Secretary of Commerce of the United States to grant and convey to the State of Delaware fee title to certain lands of the United States in Kent County, Del., for highway purposes;

H. R. 9123. An act to authorize the Secretary of War to lease to the village of Youngstown, N. Y., a portion of the Fort Niagara Military Reservation, N. Y.;

H. R. 9358. An act to authorize the withdrawal and reservation of small tracts of the public domain in Alaska for schools, hospitals, and for other purposes;

H. R. 9577. An act to amend section 402 of the Merchant Marine Act, 1936, to further provide for the settlement of ocean-mail contract claims;

H. R. 9688. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky.;

H. R. 9722. An act to amend section 5 of an act entitled "An act to provide for the construction and maintenance of roads, the establishment and maintenance of schools, and the care and support of insane persons in the district of Alaska, and for other purposes," approved January 27, 1905 (33 Stat. 616);

H. R. 10004. An act to amend an act entitled "An act to incorporate the Mount Olivet Cemetery Co. in the District of Columbia";

H. R. 10117. An act granting the consent of Congress to construct, maintain, and operate a toll bridge, known as the Smith Point Bridge, across navigable waters at or near Mastic, southerly to Fire Island, Suffolk County, N. Y.;

H. R. 10118. An act granting the consent of Congress to construct, maintain, and operate toll bridges, known as the Long Island Loop Bridges, across navigable waters at or near East Marion to Shelter Island, and Shelter Island to North Haven, Suffolk County, N. Y.;

H. R. 10190. An act to equalize certain allowances for quarters and subsistence of enlisted men of the Coast Guard with those of the Army, Navy, and Marine Corps;

H. R. 10193. An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes;

H. R. 10351. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.;

H. R. 10535. An act to amend the Second Liberty Bond Act, as amended;

H. R. 10704. An act to amend section 4132 of the Revised Statutes, as amended;

H. J. Res. 447. Joint resolution to protect the copyrights and patents of foreign exhibitors at the Pacific Mercado International Exposition, to be held at Los Angeles, Calif., in 1940; and

H. J. Res. 622. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1938, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

ADJOURNMENT

Mrs. NORTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 24 minutes p. m.), under its previous order, the House adjourned until tomorrow, Tuesday, May 24, 1938, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of Mr. MALONEY's subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Tuesday, May 24, 1938. Business to be considered: Continuation of hearings on H. R. 4358, train dispatchers.

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Wednesday, May 25, 1938. Business to be considered: Hearing on H. R. 10348, foreign radio-telegraph communication.

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Thursday, May 26, 1938. Business to be considered: Hearing on H. R. 10127, railroad unemployment insurance.

COMMITTEE ON THE DISTRICT OF COLUMBIA

The Subcommittee on Public Health of the Committee on the District of Columbia will meet Tuesday, May 24, 1938, at 10:30 a. m., in room 345, House Office Building, to consider H. R. 10341, amending Dental Practice Act.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold executive hearings Wednesday, May 25, 1938, at 10:30 a. m., in room 445, House Office Building, for the consideration of H. R. 9907, and other unfinished business.

COMMITTEE ON THE POST OFFICE AND POST ROADS

A hearing will be conducted by the full Committee on the Post Office and Post Roads at 10:30 a. m. Thursday, May 26, 1938, on H. R. 9917, obscene literature.

COMMITTEE ON FOREIGN AFFAIRS

There will be a meeting of the Committee on Foreign Affairs, in the Capitol Building, May 24, 1938, at 10 a. m., to consider the following: S. 3104, claims, Republic of Mexico; H. R. 9933, Golden Gate International Exposition; H. R. 10687, certain citizens, American republics, education.

EXECUTIVE COMMUNICATIONS, ETC.

1377. Under clause 2 of rule XXIV a letter from the Secretary of the Navy, transmitting a draft of a proposed bill to provide for the award of certain contracts by the Secretary of the Navy, was taken from the Speaker's table and referred to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. WOODRUM: Committee on Appropriations. House Joint Resolution 693. Joint resolution making an appropriation to aid in defraying expenses of the observance of the seventy-fifth anniversary of the Battle of Gettysburg; without amendment (Rept. No. 2424). Referred to the Committee of the Whole House on the state of the Union.

Mr. McGEHEE: Committee on the District of Columbia. H. R. 10642. A bill to amend an act entitled "District of Columbia Alley Dwelling Act," approved June 12, 1934, and for other purposes; with amendment (Rept. No. 2425). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 10650. A bill to provide for a modified 5-year building program for the United States Bureau of Fisheries; with amendment (Rept. No. 2426). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 10690. A bill to authorize the construction of certain vessels for the Coast and Geodetic Survey, Department of Commerce, and for other purposes; without amendment (Rept. No. 2427). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEMKE: Committee on the Public Lands. H. R. 7868. A bill to provide for conveying to the State of North

Dakota certain lands within Burleigh County within that State for public use; with amendment (Rept. No. 2430). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Joint Resolution 664. Joint resolution authorizing the selection of a site and the erection thereon of "The Columbian Fountain" in Washington, D. C.; with amendment (Rept. No. 2433). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SMITH of Connecticut: Committee on Military Affairs. S. 2557. An act for the relief of William T. J. Ryan; without amendment (Rept. No. 2428). Referred to the Committee of the Whole House.

Mr. SMITH of Connecticut: Committee on Military Affairs. H. R. 667. A bill to correct the records of the War Department to show that Guy Carlton Baker and Calton C. Baker or Carlton C. Baker is one and the same person; without amendment (Rept. No. 2429). Referred to the Committee of the Whole House.

Mr. SMITH of Connecticut: Committee on Military Affairs. H. R. 1299. A bill for the relief of William E. Rich; with amendment (Rept. No. 2431). Referred to the Committee of the Whole House.

Mr. SMITH of Connecticut: Committee on Military Affairs. H. R. 9868. A bill for the relief of Harry J. Somerville; without amendment (Rept. No. 2432). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LUCKEY of Nebraska. A bill (H. R. 10721) to amend the Agricultural Adjustment Act of 1938, in order to provide for the payment of parity prices to farmers with respect to corn and wheat for the portion thereof domestically consumed, and for other purposes; to the Committee on Agriculture.

By Mr. DOWELL: A bill (H. R. 10722) to authorize the attendance of the Marine Band at the National Encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 4 to 8, inclusive, 1938; to the Committee on Naval Affairs.

By Mr. GREEVER: A bill (H. R. 10723) to amend the act of May 16, 1930 (46 Stat. 367), entitled "An act to authorize the disposal of public land classified as temporarily or permanently unproductive on Federal irrigation projects"; to the Committee on Irrigation and Reclamation.

By Mr. McGROARTY: A bill (H. R. 10724) to amend paragraph (k) of section 303 and paragraph (b) of section 319 of the Communications Act of 1934; to the Committee on Interstate and Foreign Commerce.

By Mr. SMITH of Connecticut: A bill (H. R. 10725) to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended, and for other purposes; to the Committee on Military Affairs.

By Mr. McLAUGHLIN: A bill (H. R. 10726) to provide that the Omaha-Council Bluffs Missouri River Bridge Board of Trustees shall be composed wholly of public officers; to the Committee on Interstate and Foreign Commerce.

By Mr. SCHAEFER of Illinois: A bill (H. R. 10732) to provide for a term of court at Edwardsville, Ill.; to the Committee on the Judiciary.

By Mr. WHITE of Idaho: Joint resolution (H. J. Res. 694) to create a joint congressional committee to investigate the adequacy and use of the phosphate resources of the United States; to the Committee on Rules.

By Mr. SCRUGHAM: Joint resolution (H. J. Res. 695) to amend a joint resolution entitled "Joint resolution to authorize the President to extend an invitation to the World Power Conference to hold the Third World Power Conference in the United States," approved August 26, 1935; to the Committee on Foreign Affairs.

By Mr. KELLER: Joint resolution (H. J. Res. 696) authorizing the Joint Committee on the Library to procure oil portraits of former President Herbert Hoover and of President Franklin D. Roosevelt; to the Committee on the Library.

By Mr. SUMNERS of Texas: Joint resolution (H. J. Res. 697) to create a temporary National Economic Committee; to the Committee on the Judiciary.

By Mr. CULKIN: Concurrent resolution (H. Con. Res. 51) authorizing congressional representation at the exercises incident to the dedication of the Thousand Islands Bridge across the St. Lawrence River; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of New York: A bill (H. R. 10727) granting an increase of pension to Almira Van Allen; to the Committee on Invalid Pensions.

By Mr. GRIFFITH: A bill (H. R. 10728) to confer jurisdiction upon the United States District Court for the Eastern District of Louisiana to determine the claim of D. B. McElveen; to the Committee on Claims.

By Mr. MOTT: A bill (H. R. 10729) granting an increase of pension to Caroline Rhude; to the Committee on Invalid Pensions.

By Mr. O'TOOLE: A bill (H. R. 10730) for the relief of Ziskind Sokolow; to the Committee on Immigration and Naturalization.

By Mr. SNELL: A bill (H. R. 10731) for the relief of Mary Fortune; to the Committee on Claims.

By Mr. BROOKS: A bill (H. R. 10733) for the relief of Peavy Byrnes Lumber Co.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5208. By Mr. CURLEY: Petition of the Transport Workers Union of Greater New York, N. Y., urging enactment of the wage-hour bill; to the Committee on Labor.

5209. Also, petition of the New York City Federation of Women's Clubs, Inc., urging support of House bill 9909, to label wool products; to the Committee on Interstate and Foreign Commerce.

5210. Also, petition of the Women's City Club, New York City, urging enactment of the wage-hour bill; to the Committee on Labor.

5211. By Mr. FITZPATRICK: Petition of Local 100, of the Transport Workers Union of America, section 211, urging the enactment of the wage and hour bill to promote reemployment and thereby increase the standard of living; to the Committee on Ways and Means.

5212. By Mr. LUTHER A. JOHNSON: Petition of Walter L. Williams, president, Limestone County Teachers Association, Mexia, Tex., favoring House bill 10340; to the Committee on Education.

5213. By Mr. KENNEDY of New York: Petition of the United Federal Workers of America, Local No. 94, concerning the $1,000-per-year-man cost of Works Progress Administration workers; to the Committee on Ways and Means.

5214. Also, petition of the United Federal Workers of America, Local No. 94, concerning House bill 8428; to the Committee on the Civil Service.

5215. Also, petition of the National Cooperative Council, in behalf of the 1,500,000 farmers who are members of the 4,000 cooperative associations represented by them, concerning the

amendment which will be introduced by Fred Biermann to Senate bill 2476; to the Committee on Labor.

5216. Also, petition of the Conference of Mayors and Other Municipal Officials in behalf of the cities and villages of New York State, concerning the Senate amendment passed on May 17 to the Federal Highway Act; to the Committee on Roads.

5217. Also, petition of the Federation of Architects, Engineers, Chemists, and Technicians, New York City Chapter 32, urging enactment of the wage-hour bill; to the Committee on Labor.

5218. Also, petition of the Cleaners, Pressers, Drivers, and Allied Trades Union, Local 239, New York City, urging enactment of the wage-hour bill; to the Committee on Labor.

5219. Also, petition of the United Brotherhood of Carpenters and Joiners of America, Local Union 366, Bronx, New York City, urging enactment of the wage-hour bill; to the Committee on Labor.

5220. Also, petition of 2,500 members of the Bleachers, Dyers, Finishers, and Printers Local 1790, New York City, urging enactment of the wage-hour bill; to the Committee on Labor.

5221. By Mr. LAMNECK: Petition of Frank L. McKinney, secretary-treasurer, Ohio Independent Telephone Association, Columbus, Ohio, urging the passage of Senate bill 3456 and House bill 9459; to the Committee on the Judiciary.

5222. By the SPEAKER: Petition of the Board of County Commissioners of Skagit County, Wash., petitioning consideration of their resolution with reference to House bill 4199, known as the General Welfare Act; to the Committee on Ways and Means.

SENATE

TUESDAY, MAY 24, 1938

(Legislative day of Wednesday, April 20, 1938)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, May 23, 1938, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 678) making an additional appropriation for grants to States for unemployment compensation administration, Social Security Board, for the fiscal year ending June 30, 1938, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Colo.	Pope
Andrews	Dieterich	King	Radcliffe
Austin	Donahey	La Follette	Reynolds
Bailey	Duffy	Lee	Russell
Bankhead	Ellender	Lodge	Schwartz
Barkley	Frazier	Logan	Schwellenbach
Berry	George	Lonergan	Sheppard
Bilbo	Gerry	Lundeen	Shipstead
Bone	Gibson	McAdoo	Smathers
Borah	Gillette	McGill	Smith
Bridges	Glass	McKellar	Thomas, Utah
Brown, N. H.	Green	McNary	Townsend
Bulkley	Guffey	Maloney	Truman
Bulow	Hale	Miller	Tydings
Burke	Harrison	Minton	Vandenberg
Byrd	Hatch	Murray	Van Nuys
Byrnes	Hayden	Neely	Wagner
Capper	Herring	Norris	Walsh
Caraway	Hill	Nye	Wheeler
Chavez	Hitchcock	O'Mahoney	White
Clark	Holt	Overton	
Connally	Hughes	Pepper	
Copeland	Johnson, Calif.	Pittman	

Mr. MINTON. I announce that the Senator from Arizona [Mr. ASHURST] and the Senator from Oregon [Mr. REAMES] are detained from the Senate because of illness.

The Senator from Nevada [Mr. MCCARRAN] is absent because of a death in his family.

The Senator from Michigan [Mr. BROWN], the Senator from Illinois [Mr. LEWIS], the Senator from New Jersey [Mr. MILTON], and the Senator from Oklahoma [Mr. THOMAS] are detained on important public business.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

LEGISLATION OF MUNICIPAL COUNCIL OF ST. THOMAS AND ST. JOHN

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting, pursuant to law, copies of legislation enacted by the Municipal Council of St. Thomas and St. John and approved by the Acting Governor of the Virgin Islands, which, with the accompanying papers, was referred to the Committee on Territories and Insular Affairs.

AMENDMENT OF ACT ESTABLISHING LOAD LINES FOR AMERICAN VESSELS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to amend the act of March 2, 1929, entitled "An act to establish load lines for American vessels, and for other purposes," which, with the accompanying papers, was referred to the Committee on Commerce.

APRIL REPORT OF RECONSTRUCTION FINANCE CORPORATION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Reconstruction Finance Corporation reporting, pursuant to law, relative to the activities and expenditures for the Corporation for the month of April 1938, which, with the accompanying papers, was referred to the Committee on Banking and Currency.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by Sparks Lodge No. 726, Brotherhood of Railroad Trainmen, Sparks, Nev., favoring the allowance of $60,000 to the so-called Civil Liberties Subcommittee of the Committee on Education and Labor for its investigation relative to antiunion activities, which was ordered to lie on the table.

He also laid before the Senate a telegram in the nature of a memorial from G. Chace, of New York City, N. Y., remonstrating against the enactment of the President's proposed recovery program, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted by Local Union No. 848, Brotherhood of Painters, Decorators, and Paperhangers of America, of New York City, N. Y., favoring amendment of the existing neutrality law so as to permit the shipment of munitions of war to Spain, which was referred to the Committee on Foreign Relations.

Mr. COPELAND presented a resolution adopted by the executive committee of the Middle Bronx Neighborhood Federation, New York City, N. Y., favoring the prompt enactment of legislation making an additional appropriation of $500,000,000 to the United States Housing Authority for the construction of low-cost housing projects, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by Typographical Union No. 15, of Rochester, N. Y., favoring a congressional investigation of the newsprint industry, which was referred to the Committee on Education and Labor.

He also presented numerous petitions of sundry citizens of the State of New York, praying that the Works Progress Administration so amend its rules and regulations that all construction work shall be done on a competitive contract basis, which were referred to the Committee on Education and Labor.

REPORTS OF COMMITTEES

Mr. CHAVEZ, from the Committee on Indian Affairs, to which was referred the bill (S. 3921) for the relief of